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CONTENTS FOR JUNE

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THE LEAGUE'S BUSINESS

"Taxation for Prosperity", New Radio Series.—YOU AND YOUR GOVERNMENT continues through the summer, with a series of radio programs entitled "Taxation for Prosperity", for fifteen weeks, beginning June 18 through September 24.

These programs, as previously, may be heard over an NBC-WEAF nation-wide network every Tuesday from 7:45 to 8:00 P. M., eastern daylight saving time. They are sponsored by the National Municipal League in coöperation with the Committee on Civic Education by Radio of the National Advisory Council on Radio in Education and the American Political Science Association.

The speakers will include Frank A. Vanderlip, former Assistant Secretary of the Treasury; Edwin E. Witte, Executive Director, Committee on Economic Security; Joseph D. McGoldrick, former Comptroller of New York City; Frank Kent, Vice-President of the Baltimore *Sun;* and William Hard, Publicist. Dr. Thomas H. Reed, Chairman of the Committee on Civic Education by Radio, will continue his brief introductions of each program and the speakers. Schedule for the first five programs follows:

June 18—"Just Taxes." Frank A. Vanderlip, former Assistant Secretary of the Treasury and former President, National City Bank of New York.

June 25—"Paying For Social Security." Edwin E. Witte, Executive Director, Committee on Economic Security.

July 2— "The Tariff and Business Recovery." Francis Bowes Sayre, Assistant Secretary of State.

July 9—"How Much Should the Drinker Pay?" C. H. Morrissett, State Tax Commissioner of Virginia.

July 16—"Missing the Intangibles." William Bennett Munro, California Institute of Technology; former President, American Political Science Association.

* * *

Letter to the Editor:—

Re: Discussion, p. 138-139, National Municipal Review, March 1935.

The Wisconsin Taxpayers Alliance is a research governmental organization. We have a staff of twelve college-trained men and women who spend all their time studying problems of Wisconsin state and local government.

Several of our employees always tune in to the weekly radio talks, You and Your Government.

We listened with interest to Mr. Hard's talk on January 22. After he finished, the person next to me said, "That was a good talk, but he left us up in the air in regard to what he thought about the program for cities to eliminate the matter of interest on certain types of municipal debt." Others said that was what Mr. Hard intended to do—to let us think about the matter and make our own decisions.

No one of us got the impression that Mr. Hard indicated whether he thought the proposal was a crazy one or a very ingenious method of public finance.

Yours very truly,

(Sgd.) Paul N. Reynolds,

Executive Director, Wisconsin Taxpayers Alliance

April 23, 1935

* * *

Judges Named for Baldwin Prize Essays.—As this issue was going to press, the largest number of essays to be submitted for the Baldwin Prize in many years had been received. President Harold W. Dodds announced the appointment of the following judges for the contest: Rinehart J. Swenson, head of the government department of New York University; Professor Edgar Dawson of Hunter College; and Howard P. Jones, secretary of the National Municipal League.

Howard P. Jones, *Secretary*

Editorial Comment
❖
June

NATIONAL MUNICIPAL REVIEW

Vol. XXIV, No. 6 Total No. 228

Portrait of Eight Billion Dollars

STUDENTS of government and others who have occasion to examine the budget of the United States government for the fiscal year ending June 30, 1936, will find gratifying improvements in this interesting document which make it really intelligible to the layman despite the tremendous size of the operations.

First, the general budget summary presents a clear picture in toto of (1) receipts, (2) expenditures, (3) the deficit, and (4) the means of financing the deficit for the three years, 1934, 1935, and 1936. Supporting schedules supplying detail follow.

Second, the document this year gives an intelligent summary of moneys appropriated, allocated, and expended for recovery and relief—the single most important expenditure of the federal government in these times.

Third, the analysis of estimated revenues is far more satisfactory in its detail than formerly.

In a nutshell, the citizen of the United States who is sufficiently interested in his government, now that it is spending upwards of eight billion dollars a year, to wish to find out how the government intends to raise all that money and what it will be spent for after it's raised, can obtain the information he seeks.

As governments grow in size, one of the real problems is to provide the average citizen with means of scrutiny for large scale operations far beyond his normal comprehension. In the new budget document of the national government may be seen the fine Italian hand of an expert at intelligent interpretation of financial operations. Credit for the new presentation indeed must go to A. E. Buck, long identified with the work of the National Municipal League and the Institute of Public Administration, a member of the advisory board of the NATIONAL MUNICIPAL REVIEW and unquestionably the outstanding expert on budget procedure in this country. His most recent book, "The Budget in Governments of Today," reviewed in this issue by Joseph D. McGoldrick, former comptroller of New York City, makes another great contribution. As assistant budget director for the national government, in which post he was succeeded this month by John N. Edy, former city manager of Dallas, and also prominent as an officer of the National Municipal League, he designed the new financial portrait of the national government.

Whatever we may think about the *amount* of the national budget this year, there can only be gratification at the intelligent job that has been done in the presentation of the facts.

Victory in Toledo

For the second time within a year, the voters of Toledo on May 28, by an overwhelming majority (27,624 to 18,338) approved the city manager plan with proportional representation. Toledo originally voted for the manager plan last November but the city hall crowd forced through the city council an ordinance for a special election to repeal the charter that had just been adopted. It is gratifying to see that Toledo citizens interested in better government refused to have the wool pulled over their eyes or to become discouraged but turned out to beat the "gang" twice in succession.

Those in other cities interested in improving their government would do well to examine Toledo. In few cities would the odds have been heavier against the success of a reform movement. Had citizens of Toledo been satisfied simply to put on the ballot a proposition for the city manager plan and calmly let the voters decide, the election never would have been won. For the voters would not have decided—the machine would have turned out its controlled vote and Mr. Average Citizen would have stayed at home. Toledo citizens instead organized and organized just as thoroughly as the political gang, with a complete ward-precinct organization; they rolled up their sleeves and worked just as hard for good government as the old crowd has been working for bad government, or indifferent government, or whatever Toledo had. And so they won.

Trenton, which adopted the manager plan last month, went through a similar experience which is related in detail elsewhere in this issue. Toledo and Cincinnati and Trenton and hundreds of other cities can testify that a group of everyday, good, run-of-the mine citizens can get good government if they will go after it. It is inevitable that they will meet the bitter opposition of

(Continued on Page 322)

William Dudley Foulke

It is with deepest regret that the Review announces the death of William Dudley Foulke, former president and charter member of the National Municipal League, and one of the great leaders in the long fight for civil service reform. Mr. Foulke died at his home in Richmond, Indiana, on May 30, at the age of 86. His widow and three daughters, Mrs. John Urie, West Roxbury, Mass.; Mrs. James W. Morrison, Groton, Conn.; and Mrs. Dudley Cates, New York City, survive him. Mr. Foulke was president of the National Municipal League from 1910 to 1915 and of the National Civil Service Reform League in 1923 and 1924. President Theodore Roosevelt appointed him a member of the United States Civil Service Commission in 1901. His was a long and vigorous career devoted to public service from the time he served as an active member of the Young Men's Mutual Reform Association, which played an important role in the overthrow of the Tweed ring in New York City, to the day of his death. He was also well known as an author, his famous book, "Fighting the Spoilsmen," being only one of a number of books on a wide range of subjects. In his passing the National Municipal League has lost a close friend and the nation one who has been through the years a great public servant.

H. P. J.

State Control of Municipal Finance

A means of strengthening the structure of the state and its municipal children

LEWIS P. MANSFIELD

Supervisor, Bond Department, Prudential Insurance Company of America

In his excellent book, "Municipal Government in the United States", Thomas H. Reed holds that to govern a whole country exclusively from a single center is impossible. Nowhere, he says, even in small states, is it attempted. To do so would mean, quoting the French political writer DeLamennais, "apoplexy at the center and paralysis at the extremities." This is true without doubt, but is it not also true that a weak state government in the midst of strong municipal governments would cause nervous prostration?

State control of municipal finance is a subject which is rooted deep in the soil of political science and American democracy. Its meaning is entirely a matter of interpretation. The word control savors a little of bureaucracy. We don't want that. We must preserve to our cities and towns as much self-government and home rule in their affairs as is consistent with good government; yet at the same time we recognize that the cities and towns have many duties and functions which they perform on behalf of the state. State control or supervision should be the complement of local government, not the antithesis to it. Municipalities are really children of the state and derive their corporate existence and powers therefrom; the state is a sovereign body, an essential unit in the framework of the American commonwealth. There can be no inherent conflict between a state and its municipal creatures because the constitution has left to the states the disposal of the municipalities—their regulation and even their very existence.

There are in the United States about 175,000 separate local units of government, including about 3,053 counties, which are really branches of state government, 16,000 incorporated places, 20,000 towns and townships, 127,000 school districts, and 8,500 other units. The map of the United States is thus plastered with governments many of which overlap one another. This complicated organism is democracy broken into a rash and is the inheritance of early days in American life when ten miles was ten miles. But space and time have been literally annihilated in the last one hundred years and there is no need today for more than a fraction of these little governments, the majority of which are weak and inefficient and uneconomic. It has been estimated by authorities that one-tenth of the number of existing local governments would serve our needs far better and less expensively than at present.

This, however, is not a discourse on consolidation and regrouping of municipalities, but I mention the topic to indicate how vital is the state govern-

ment in performing such things which if left to the individual communities would be almost impossible of accomplishment.

It is so in the realm of municipal finance. All municipalities require state supervision, to a greater or lesser degree. Their fortunes and those of the state in general are so closely woven together that complete financial autonomy is impossible. What is sought is a balance of power and action. No one wants an iron mold of state laws into which all local government finances should be forced, but rational codes of law preserving to the municipalities real freedom of action in accordance with their size, importance and proper needs, and setting a standard of fiscal procedure. There should be an incentive to cities and towns to better this standard, and there should always be responsibility placed on the officials of these local units for the results. More specifically, there should be, and the trend is in that direction, a strong state body free of political interference, to supervise, assist and, if necessary, compel the observance of proper financial practice in all local units.

The handling of money, either as revenue or expenditure, is after all the most vital function of any municipality. It is not in the field of law-making that a city government attains its real importance but as an administrative body managing through its various departments the business of the city and acting as agent for the state. The appropriation of money, the collection of taxes, the purchasing of supplies, the spending of money and the accounting and auditing of receipts and expenditures, the authorization and issuance of bonds and notes, all that goes under the name of fiscal is by far the most important duty of a municipal government and of the greatest concern to the taxpayers. The nerve to the pocketbook is a sensitive one and yet it has only been in the last twenty years that the need of expert management in the financial affairs of cities has begun to impress itself on voters in general. The introduction of the first city manager in the United States at Sumter, South Carolina, in 1912, followed by a home rule charter calling for a city manager in Dayton, Ohio, in 1913, signalized the beginning of modern efficiency in municipal government in this country. The piling up of city, school district, county, and state taxes into a nice little heap—such as $30 to $50 in the $1,000 of assessed valuation—100 per cent of actual value or higher, has at last gotten under the skin of our traditionally indifferent Mr. Taxpayer.

ALL UNITS MUST COOPERATE

No municipality can live unto itself financially be it ever so pure in its local government, especially in this age of state and federal centralization of functions for unemployment relief, education, highways, police, health, utility regulation, taxation, and others. To the eyes of the typical American citizen of fifty years ago, the state capital looked pretty far away, and Washington, D.C., was a mystic city where Speaker Tom Reed took charge of the House of Representatives. Now the small town man can drive his car to the state capital before lunch, and Washington is where Mayor Jones went yesterday to get a loan and grant so the old town could put up a new school house. This same worthy citizen is beginning to realize that he needs not only a good town council, but a pretty good state legislature, and something like a good government in Washington. He must feel, if he has average American horse-sense, that a great change has taken place in governmental waters in the last few years, and that he and his kind, men who have property as well

as ideals to maintain, have got to do more than vote an ordinance for a new town pump once in a while. In self-defense, if nothing more, the taxpayer has got to take on bigger problems—and most of these are financial.

The credit of a state and of all municipalities within a state act and react upon each other. This, of course, does not imply that, like water, all credits will seek the same level, but that they will exert a strong influence in that direction. It is very noticeable that the municipalities in a state usually take their credit color from the state itself. There are frequent exceptions to this but as a rule that state which enjoys good credit usually has endowed its municipalities with good laws affecting their credit—such as acts relating to debt limitation, taxes, tax collection, budget practice and fiscal control. Indeed the credit of a state may almost be defined as the aggregate credit of its component parts. And if a state's credit is high it usually follows that by example and influence the credit of its counties and municipalities is high.

It is therefore important that citizens of any state realize that their financial welfare demands a widening of horizons for their own good. State governments belong to us and should be nourished by the best talent in the electorate. They have not been. Only in this way can local communities be assured of good stewardship in their public affairs.

We can talk till the cows come home about state control of municipal finances, or municipal control of state finances, or remote federal control of both, or any other sort of control, but no government in a democracy will be wholly effective unless it recruits the right personnel. This can only be secured by a thorough-going and permanent civil service containing the merit system. It is a fundamental weakness in the American style of government that we still tolerate political patronage in such large measure. Model state laws for local financial control will not count for much if the administration of those laws is in the wrong hands.

Moreover, it is incumbent on citizens to strengthen the hands of their state in order that its position in dealings with the federal government may not suffer. The depression has brought about a new relationship between the federal government and municipalities (witness the P.W.A. and F.E.R.A.) and whether the permanent results will be good or bad, it is desirable that state government have the allegiance of its municipal creatures in meeting the pressing problems which have been raised by the entrance upon the scene of the federal government in the role of banker, counsellor and friend to the American municipality. In this connection it is significant to note the increasing use, on a scale not hitherto known, of loans to municipalities secured by so-called self-liquidating bonds. This form of financing was employed in 1932 by the R. F. C. which required loans that would "pay out," and although the P.W.A. was not limited by law to such revenue loans, but could extend credit on the general obligation bonds of municipalities, it soon developed in 1933 and 1934 that many cities, counties and towns were indebted beyond their legal limit and hence could not take P.W.A. loans. This obstacle has been met in some states by legislation permitting municipalities to issue revenue bonds, outside of the debt limit, for which no taxes may be levied and which are not to be considered as constituting legal obligations of the municipality. These bonds are for purposes such as water, electric power, gas, sewers, bridges, highways, airports, docks or other ventures in which the

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"Gyp" Vendor & Co.

An account of the battle waged during New York City's first year of centralized purchasing

GENEVA B. SEYBOLD

Assistant Director, Citizens' Councils for Constructive Economy

ONE of the most dramatic stories of public service in America lies hidden within the gray covers of a mimeographed, dull-appearing document, entitled "Report on the Work of the Department of Purchase of the City of New York for the Calendar Year 1934". The number of persons who will read the report from cover to cover could probably be checked off on the fingers of both hands, yet it contains a saga of heroic struggle against odds, compelling in its intensity, rivalled in significance by few jobs of governmental reorganization that have taken place in the last few years. For in the single, matter-of-fact, dry-as-dust word "purchasing" are buried deep roots of political chicanery.

New York City under Tammany was spending about two million dollars a day. The total is somewhat less under Fusion administration but the figure gives some idea of the tremendous job involved in running the largest city in America. Of this amount, approximately $485,000 a day goes for debt service, approximately $712,000 for salaries and wages, and a large share of the balance for supplies, materials and equipment. Formerly, all buying of the latter was done by individual officials and agencies. If you were an official of New York City you bought what you wanted when you wanted it, whether it was spark plugs or floor mops, coal or castor oil, rivets or rubber goods. As a part of the economy program the 1933 legislature passed a bill to establish the office of purchasing commissioner for New York City and centralize buying. The report mentioned above is the first annual report of Commissioner of Purchase Russell Forbes, former secretary of the National Municipal League.

The struggle began immediately when departmental purchasing officials, deprived of their former powers and resentful, hurled bricks in the new machinery by submitting piles of "emergency" requisitions for small quantities of articles so as to defeat the objective of bulk-buying. Vendors who had formerly had the field to themselves endeavored to keep out new competitors by under-bidding them and then attempting to deliver inferior goods. Or, other tactics were to delay deliveries, holding up city services—anything to reflect to the ill credit of the department of purchase and hasten the happy day when again a fellow with the right connections might be assured of the contract and give a free interpretation to specifications.

"Gyp" vendors were even worse—their numbers (in the hundreds) made them more than a pest—in fact, Commissioner Forbes after a year of battle designates their elimination "a basic

problem of purchasing". "Gyp" vendors, according to the Commissioner, maintain their "offices in their hats" and have been organized for the sole purpose of selling the city. "They usually do business," he explains, "under a misleading name indicating a huge organization with vast resources. In reality they have no stocks on hand . . . their only stock in trade consists of the political connections which they have built up in years past throughout the using departments of the city.

"Some such firms submit bids on anything the city buys from powdered milk to anvils to grass seed. If they secure an order, they then shop around to find a source of supply. To make a profit, they attempt to 'short-weight' the city in delivery or to deliver inferior quality."

If a laboratory test is required to determine compliance with the specifications, and the report is unfavorable, the delivery is rejected and a replacement ordered. Perhaps the second laboratory report will also be unfavorable, in which case another replacement is ordered. But all this takes time—the stock on hand may have become exhausted and the city department concerned may be compelled to use the delivery or suspend operations. The city's only recourse then is to accept the delivery of unsatisfactory merchandise with a small price deduction for noncompliance with specifications. The "gyp" vendor is quite satisfied for he has made a larger profit than one of the legitimate bidders would have made by delivering material filling the city's specifications. A far greater loss is sustained by the city through acceptance of inferior merchandise. Poor equipment breaks down quickly, poor materials soon need replacement.

In awarding an open market order (an expenditure less than $1,000 in amount) the city charter permits the award to "the lowest *responsible* bidder"—a clause which has spoiled business for the "gyp" in the range of small orders. But he is not dismayed—he still has access to the cream. The charter requires that in the case of contracts (expenditures over $1,000 in amount) the award must be given to the "lowest bidder". Not a week goes by, says Commissioner Forbes, but that an irresponsible concern that would not be given a small order, walks off with a big one simply because its bid is lowest. This must be stopped—the Commissioner and his department give warning that they will not be satisfied until every "gyp" vendor is excluded from city business.

Another racket was uncovered in connection with the rental of equipment for work relief projects, a task which was turned over to the department of purchase in June of last year. Before then the vast expenditures for equipment used on CWA projects had been handled separately by the operating departments and in most cases, according to Commissioner Forbes, had been based on political considerations. Again let him tell of the difficulties with which the department was confronted.

"A few powerful politicians had acted as 'brokers' and although owning very little equipment, had exacted tribute from the owners by securing a daily profit through their ability to secure the orders. The stiffest possible opposition was encountered from the operating departments and the most ingenious methods were devised to frustrate the department of purchase in its attempts to make rental awards on the basis of competitive bids as required by TERA regulations. At the beginning of each month, when rental awards were made, the operating departments habitually rejected the equipment of owners whom they disapproved, demanded new awards, and repeated the

performance until their favorite vendors were reached in the assignments. More equipment was requisitioned than was needed. This presented the opportunity to choose the equipment belonging to favorite vendors and to deny work to those whom they disapproved. On the other hand, unscrupulous vendors submitted bids on equipment which they did not own. When given assignments, they could not qualify for insurance as owners and new assignments had to be made, thus delaying the projects in many cases."

In the fall the department was given a corps of inspectors to inspect the equipment as to ownership and suitability for work before assignments were made, investigate complaints before reassignments were made and disqualify bidders who submitted bids on the same equipment under more than one name. By the end of the year the equipment rental racket was well in hand and "threats, proffered bribes, propaganda of vendors, the political interference of vendors' friends, manipulations and conniving of project engineers had almost disappeared."

A large amount of routine procedure naturally would be expected in a purchasing job so vast as that in New York City, but the buying for emergency relief projects has augmented this to a point almost unbelievable. Federal, state, and city funds are all involved and each has its accounting requirement—three layers of "red tape." Frequently the supervisor of a project telephones the department of purchase, impatient regarding the delivery of material he is expecting, only to learn that the requisition has not even reached the department, but is wandering about somewhere in mazes of negotiation and correspondence. The Commissioner, quoting "too many cooks", yearns for a system less complicated and more workable.

Collusion among bidders and restricted competition were foes frequently encountered by the department. Take, for instance, the matter of fuel oil which is purchased in huge quantities for ferries and for heating buildings. The price for fuel oil for New York City was fixed and published by the Petroleum Administration Board and the published price was the maximum to be paid by any large buyer. Yet the bidders for city contracts stuck together in asking the city to pay 20 cents per barrel extra. To combat this, the city rejected all bids and purchased fuel oil in small quantities in the open market at the published price by inducing new bidders to compete. When the bidders saw that the city meant business, contracts were arranged at less than the maximum price, resulting in savings for 1934 that amounted to $50,000.

Distribution of a city's printing jobs, under the patronage system, is a well recognized way of bestowing favors. For the first time in its history New York City secured competition, in 1934, for the job of printing the city budget. Seven printers competed. The firm that had previously done the work submitted the lowest bid and got the job but at a saving to the city of $27,543. A saving of $75,000 was similarly obtained in printing the City Record and its supplements.

Adoption of new standard specifications for fresh fruits and vegetables was followed by wider competition for contracts and prices dropped on an average of 30 per cent despite rising prices on the market.

Constant vigilance had to be maintained to guard against "closed specifications"—those worded so as to limit

competition to a single concern. Members of using departments favoring certain articles often forwarded specifications with their requisitions, which they hoped and planned would obtain for them the particular brands wanted. One day a complaining salesman called on the department of purchase. Something surely must have gone wrong, he thought, since his concern had not been awarded the order. He, himself, he explained, had drawn up the specifications for the city department which sent in the requisition and only his company was supposed to compete by submitting bids through several agents!

It was against such opposing forces that the department had to struggle toward its goal of putting all city purchasing on a nonpartisan basis, carried on in accordance with legal requirements and business principles, getting full value for the city and saving it money. The first year of centralized purchasing shows example after example of savings. To cite only two:

Formerly the sheriffs bought food stuffs for the civil prisons in the five county jails in small quantities as these were needed, paying retail prices. Early in 1934 a plan was worked out under which each jail obtained the food needed from the nearest hospital storehouse and was charged for it at the prices paid on the large hospital contracts obtained for the department of hospitals. Open-market buying was thus reduced and prices went down—in some instances as much as 50 per cent.

Instead of letting each government department buy gasoline for its automobiles and other motor equipment, an arrangement was worked out under which the department of sanitation buys all of the fuel, getting the maximum benefit of large quantity buying, and all other departments secure gasoline from the sanitation garages and filling stations.

Before 1934 the department of purchase in the City of New York was little more than a price-getting agency for only those departments under control of the mayor. Even then the department of hospitals was excepted and the department of purchase had no control over any purchases of printing and stationery. It has developed under the commissioner of purchase into a central agency which with few exceptions does the purchasing for all city, county, and borough departments and offices, operates storehouses, maintains a board of standardization which revises old specifications and devises new specifications for adoption as standard by the board of estimate and apportionment, purchases for all work relief projects and rents all equipment used on these projects. The tremendous amount of organization involved in this transformation—achieved in spite of resistance to change, sabotage, insufficient equipment and personnel—is another story and a vitally interesting one. It is yours for the reading if you are explorative enough to seek for stirring drama within the pages of an annual report sent by a commissioner to his mayor.

New Jersey Capital Adopts City Manager Plan

Story of successful campaign in Trenton, N. J., related by head of field organization

R. J. SAUNDERS *Former Chairman, Committe of One Hundred, Hackensack, N. J.*

THE city manager movement in New Jersey carries on. On March 19 of this year, the capital city of the state, by a vote of over 18,000 to 12,000, adopted the plan. On April 16 the proponents of this form of government in the city elected six out the nine councilmen provided for under the law of the state for a city of the size of Trenton, thus placing in the hands of friends of good government and the council manager plan, control of the first council under city management. Paul Morton, formerly city manager of Lexington, Ky., has been appointed Trenton's first city manager.

The New Jersey capital is the largest city in the state and one of the largest cities in the East under the manager form. It is no wonder, therefore, that great interest centers on this latest addition to the growing list of council manager governed communities and the question is asked throughout the state, "How did they do it?"

Full credit must be given to Trenton's Good Government League and the persistent efforts of its civic-minded leaders over a period of three years for a change in government. Starting as a taxpayers' association, outgrowth of an indignation meeting held at the Central High School in the spring of 1932, under the leadership of the now mayor, William J. Connor, a small group of citizens campaigned through the "Letters to the Editor" columns of the Trenton *Evening Times*, with protests to the city commission at its meetings, and by a constant "word of mouth" drive for action against the alleged inefficient and wasteful conduct of the city's business by the powerful group in command at city hall.

The complaints were justified, too. There was laxity in tax collections, particularly from the Trenton Transit Company, which was permitted to fall behind more than $300,000. A tax receivership was set up for that corporation after an investigation by a citizens' committee brought the facts to light. There was a police scandal involving the chief of the department and one of his sergeants directly, and the mayor, acting as commissioner of public safety, indirectly. There were charges of patronage and the existence of a political machine controlled by the commissioners, some of whom had been in office since the adoption of the commission form of government in 1911. There were charges of graft and mismanagement in the municipal colony—a combination of city hospital, isolation hospital and paupers' home—as well as in the electrical department where, it was alleged, the city electrician was at once the purchaser and seller of equipment used by the city in its fire alarm system and elsewhere throughout the city, and figures were brought

out to show an over-insurance of city-owned property to the benefit of some of those connected with the city government.

In short, Trenton suffered the usual ills of a city where a small group of powerful politicians controlled the purse-strings and were so organized through the distribution of jobs and contracts, by a complete control of the municipal employees and through them their families, that the citizenry at large, without organization, looked upon the task of ousting the culprits as an impossible one.

The fight was not lost to Connor, however. He kept at the task of arousing the taxpayers and was ably assisted by the publishers of the Trenton *Evening Times* and the *State Gazette*. These papers carried editorial after editorial, brought facts before their readers through the news columns, and finally arranged for a dinner party at the Stacey-Trent. There speakers brought from out of town set forth the advantages of the city manager plan and proved to the audience the benefits of the system. The audience determined upon definite action to oust Trenton's commission form of government, which had permitted the building up of a political machine, and made possible lax government, and to replace it with the more efficient city manager plan.

So it was that in December of last year, Mr. Connor called a small group together, mostly young attorneys, and placed before them the idea of the Good Government League. This league, he said, was to be the militant organization that would fight to bring about the change. It was organized forthwith. An executive committee of some seventeen attorneys and business men was selected. A small headquarters office was taken for a staff of volunteer workers. Paul Rosen, long active in the organization of code groups in the state, was placed in charge and gathered about him typists and workers to check the voting lists. More workers, two or three from each ward in the city, were enlisted to carry the formal petitions to the voters for signatures, and early in January the drive for "fifteen per centum of the number of persons who voted at the last preceding election" was under way.

In about three weeks, not only "fifteen per centum" which would have meant a little over seventy-five hundred, but over fifteen thousand had signed the petition calling upon the city clerk to bring about a referendum. The lists were checked and rechecked. The registry lists were marked with an asterisk to indicate the signers and constitute a record of those friendly to the movement. The petitions were filed with due ceremony at the city clerk's office on Monday, February 25, and there it rested! But not for long!

So far the campaign had progressed with increasing momentum more or less of its own weight. There was no definite opposition by those in power who felt, with the usual smugness of those in office, that "it couldn't be done!" With the filing of petitions, however, the politicians sprang to life and overnight set up a resistance. It was indicated that they would fight the action of this group of reformers, that, quite possibly, the referendum would never be called, that the Jersey City fiasco which ended in the throwing out of petitions with charges of paid workers, false statements in obtaining signatures, forgeries, and what not—to say nothing of the sending of one of the leaders of the movement to jail on what have been alleged as "trumped charges"—would be repeated at Trenton. The politicians of Trenton, of Mercer County, and the state did not want city management to come to the capital city!

A hurried meeting of the executive committee of the Good Government League was called for the purpose of considering ways and means to bring the campaign to a successful conclusion. The question of organizing the voting strength of the city was considered. The matter of a "field general" was brought up. How to bring out the vote was the important question.

Martin P. Devlin, Jr., whose father, strange as it may seem, had some twenty-three years before been the leading figure in the adoption for Trenton of what was then supposed to be the best in municipal government—the commission plan—suggested that I be called in because of my success in handling similar campaigns in Hackensack and in Asbury Park. The result was that on Tuesday evening, February 26, I took charge of the field work, facing the election on March 19. Martin P. Devlin, Jr., served as chairman of the field committee.

The following morning we started our organization work in earnest. The city's fourteen wards were divided into two sections, each section under a section vice-chairman. Each section vice-chairman was instructed to appoint seven ward vice-chairmen. In forty-eight hours, a meeting of these ward vice-chairmen was held and they in turn were instructed to appoint sixty-two district commanders. The section and ward vice-chairmen were ordered to establish ward headquarters, hiring vacant stores at strategic points in their neighborhoods for the distribution of literature and meetings of workers. By the third day, reports began coming into general headquarters that such and such a store had been donated to the cause and requests for light and telephones, and in some instances heat, were handed into Paul Rosen, now office manager for the field committee.

In the meantime, the headquarters staff began to grow. A secretary to the campaign manager was retained. Her first duty was to prepare a headquarters chart showing the full field organization and smaller charts for ward headquarters with the local organization down to block captains outlined.

At general headquarters, too, further staff appointments were made: a staff attorney to consider the legal problems and to incorporate the organization, a finance officer to handle the raising of campaign funds, a publicity officer to work with the newspaper and to handle meetings and speakers.

Lists of voters in each district were prepared at headquarters from the registry lists obtained from the county board of elections and these lists were suitably marked to indicate those who had signed the petitions. They were then distributed to each ward headquarters and district commanders were instructed to have their block captains contact these and other voters.

Publicity matter was prepared and printed which included circulars not only in English, but in Italian, Hungarian, and Polish as well. Ads were run in the newspapers, and, toward the end of the campaign, sample ballots distributed for the information of voters.

Each day brought new problems. Rumors were rampant and in many instances of a purely propaganda nature. None were passed by without investigation, however, and once brought to headquarters were run to ground. If of sufficient importance, a bulletin explaining the question was issued to all workers that they might have at hand authoritative information to combat the work of the opposition. In addition a series of twelve bulletins of instructions on campaign procedure were issued to the field workers.

By the end of the second week of the campaign the field committee numbered

over six hundred workers, each definitely assigned to a task and fully instructed as to his duties during the balance of the campaign and on election day. When meetings were scheduled the workers were so notified and concentrated on bringing voters out to hear the words of nationally known speakers. In one instance, the success of this plan may be brought out when it is stated that the field committee assembled an audience of nearly two thousand at the War Memorial Building, while the opposition could muster only about six hundred at their mass meeting, most of whom were municipal employees.

Then came the matter of challengers at the polling places. Again those at city hall objected, but thanks to the work of the staff attorney, Mr. Sidney Beck, they were forced to give way and challengers were duly appointed. These men and women were instructed both in person and by bulletins in their rights and the rights of voters at the polls and six additional attorneys were selected by the staff attorney to assist in solving such legal questions as were presented on election day.

Even automobiles were provided to bring voters to the polls. This was not done in any haphazard manner, but with military precision. Several days prior to the referendum ward vice-chairmen were provided with mimeographed forms on which were listed those who would donate their services and their cars to the cause. Others were enlisted for whom gas and oil must be provided. All were assigned to definite districts and "taxi-stands" established from which district commanders dispatched cars to bring in the voters.

A final meeting of workers was held on the eve of election at which nearly six hundred attended. There was no "pep" talk, simply further direct instructions and orders. The manner in which votes were to be reported, the tally sheets returned to headquarters and similar details of operation on election day were brought to their attention by the chairman and section vice-chairmen. A final word of praise for the work so far done and the matter was left up to the voters.

The results have been mentioned. A fast, intensive campaign, successfully culminated—except for the payment of bills!

The one thing in which the field committee fell down was on the raising of funds for the campaign. This cannot be charged entirely to the finance officer or his assistants. Rather, it is believed several causes might be advanced and they are mentioned since they have a distinct bearing on the campaign that followed to elect councilmen.

First: the campaign was too short to permit the workers to give the attention necessary to this phase of the work. Second: the tradespeople of the city were afraid to contribute lest they incur the wrath of those in power. Third: except by those at the head of the field committee, the need for money and the expense of such campaigning, was not realized. The total cost to the Good Government League was approximately five thousand dollars, all of which had to be raised by voluntary contributions. The opposition spent far more but they had simply to demand of municipal workers, of those receiving patronage, and the money came in! Any group attempting a similar campaign should realize this cost early and should take steps to raise their funds by more intensive work from the beginning. True, in Trenton, all bills are now paid, both for the referendum and the councilmanic fight, but the heartaches and headaches to the leaders were many and sundry. "Finance in advance" is a good watchword.

Such is the story of Trenton's cam-

paign for the city manager plan. If a lesson is to be learned from it, let it be this: Politicians are always organized—if they are to be beaten, the good people seeking betterment in government must likewise organize. It is for them, however, to organize better than the politicians, and, with a worthwhile cause, properly presented, the battle can be won.

"VICTORY IN TOLEDO"

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those profiting by the existing state of affairs; but, powerful as is this group, it is always a minority, for only a minority of citizens can profit at the expense of the majority: a statement so obvious yet too seldom realized. Victory, in other words, is inevitable with satisfactory leadership, adequate organization, and sufficient education. But you and I and Johnny Smith and Bill Green and Mary Taylor must do our part!

STATE CONTROL OF MUNICIPAL FINANCE

(Continued from Page 313)

municipality has a proprietary interest. The Killgrew Bill recently enacted into law in New York State was of this nature.

Now it seems to me unsound financial practice for state legislatures to permit political sub-divisions to issue revenue bonds (except water revenue bonds) outside of legal debt limits. Whether bonds are payable out of taxes or out of revenues from projects, the fact remains that they are a direct charge upon the resources of the community against which they are outstanding.

It is easy to say that the loans will not be a burden upon taxpayers because they will be repaid from revenues of the project. But how can we know this, and if a city may issue revenue bonds without restraint, what is there to prevent gross extravagance in building such projects? And what is the essential difference between rates and taxes? They both call for our money. Therefore, the occasion demands that state legislatures keep a close eye to the credit of their municipal children when the Pied Piper of Washington comes down the road. In other words, cooperation with the federal government should be tempered with caution.

State control of municipal finance—yes! But a judicious, elastic control, one that grants the maximum autonomy consistent with good government, a control which cements the relationships within the state, a control that suffices to drive the team with a light rein and good hands. It is too easy to forget that the art of government is after all a design for living.

EDITOR'S NOTE: Radio address delivered June 4, 1935, in the YOU AND YOUR GOVERNMENT series over a nation-wide network of the National Broadcasting Company, under the auspices of the National Municipal League and the Committee on Civic Education by Radio of the National Advisory Council on Radio in Education and the American Political Science Association.

Municipal Borrowing and Legal Debt Limits

Establishing a sound basis for statutory limitation of non-self-supporting indebtedness

KARL SCHOLZ

University of Pennsylvania

THE current depression has created serious financial problems for many American municipalities. While on the one hand, tax revenues have declined rapidly, demands on municipal budgets, on the other hand, have expanded from year to year. In particular the need for capital funds to finance necessary local public works has become very acute. Even where the money market has been favorable to absorbing further municipal loans, many municipalities have discovered that they have not only reached, but even exceeded, their statutory limits of non-self-supporting indebtedness. Yet it is in times such as the present that municipalities should have their credit sufficiently sound and enjoy an adequate borrowing reserve to be able to take advantage of low construction costs and an abundant supply of labor looking for employment.

In most states there are either constitutional or statutory debt limitations, beyond which municipalities may not expand their non-self-supporting indebtedness. These limits are usually fixed in terms of a specific percentage of real and personal property assessments. There may be, in addition, many other legal limitations to the incurring of municipal indebtedness, such as restrictions as to the term for which bonds may run, the requirements for serial bonds, the authorization of loans by voters, and regulations as to purposes for which bonds may be issued.

However, the most common statutory limitation to incurring non-self-supporting municipal indebtedness is a percentage of the assessed valuation of property. For example, in the city of Philadelphia, this legal debt limit to municipal debts is 10 per cent of the assessed valuation of real and personal property.

Such a legal debt limit tends to expand municipal borrowing power during periods of rising property values in boom years. On the other hand, during depression years, with declining assessments, positive borrowing power is soon converted into negative borrowing power. Thus, in Philadelphia, the legal borrowing power declined from $480,000,000 in 1931 to $390,000,000 in 1934. But the actual outstanding indebtedness of the city chargeable against legal debt limits was estimated by the Bureau of Municipal Research of Philadelphia at approximately $425,000,000 in May 1934. In consequence, the city had a negative borrowing power last year of about $35,000,000. Its annual budget has been burdened with disproportionately high debt service charges in recent years. In 1934 these charges amounted to approximately 40 per cent of the total city revenues.

An adequate margin of legal borrowing power, to take advantage of favor-

able market conditions for the expansion of useful public works in periods of depression, is precluded, however, when city governments borrow to the full extent of legal limitations in boom periods, and thus overload the depression budgets with excessive debt service charges. If the situation could be reversed so that legal borrowing might be restricted somewhat during boom periods when assessments are relatively high, and expanded during depression periods when property values are declining, the taxpayers would ultimately benefit, for they would in reality acquire more durable municipal improvements for their tax dollars.

The suggestion has been made that a statutory debt limit should be established for municipalities in which the percentage of total assessed valuation, serving as a debt limit, be made to vary inversely with the assessments. If, for example, a municipality had total property assessments of $200,000,000 in the base year, and a statutory debt limit of 10 per cent of this valuation, it could not incur more than $20,000,000 of non-self-supporting indebtedness. But if the assessment in the subsequent year were to increase to $220,000,000 or 10 per cent, the percentage of this valuation setting the legal debt limit would automatically be reduced to 9.09 per cent. If assessments were doubled over a number of years, the legal debt limit would be halved.

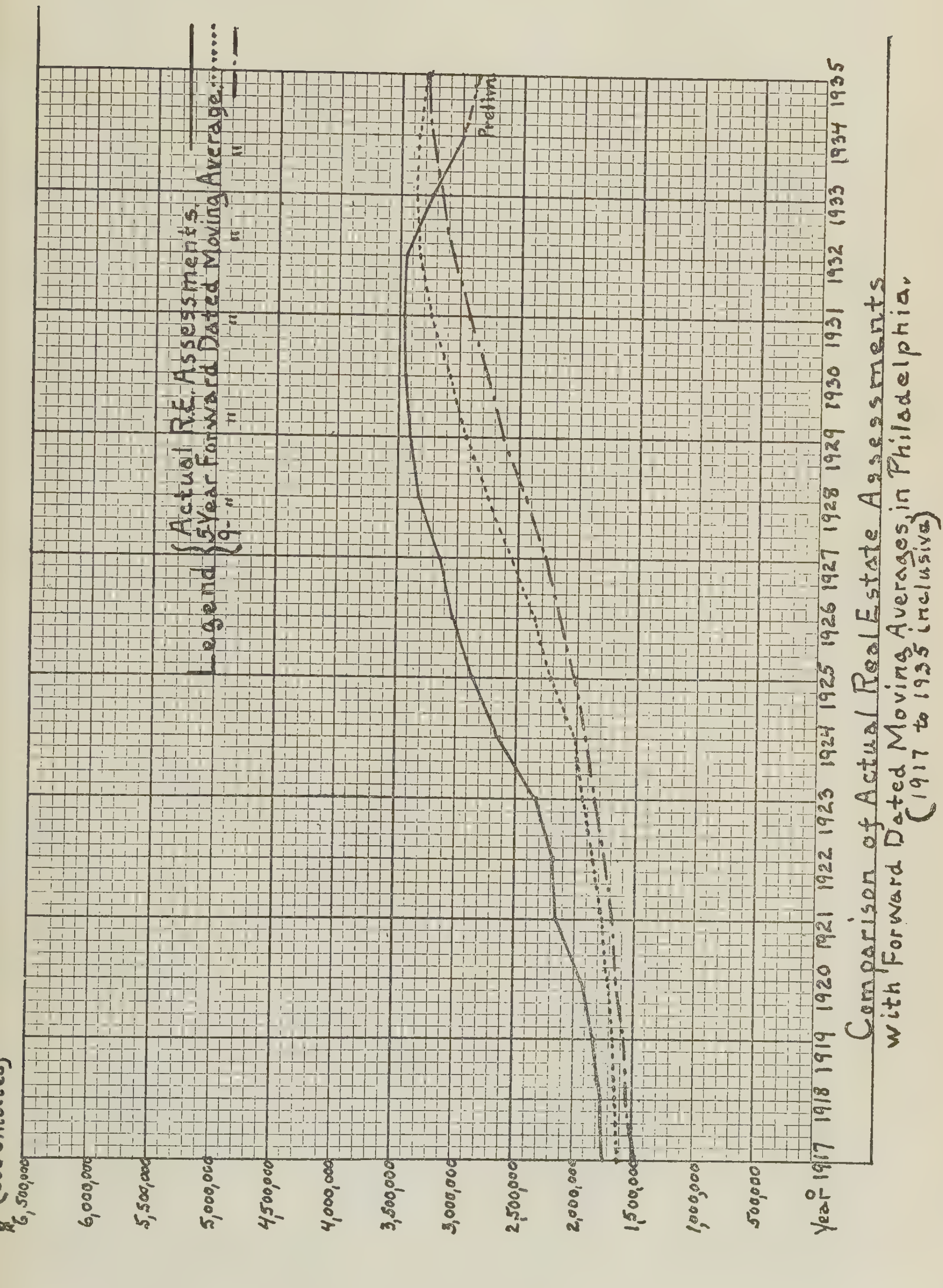
Such a procedure, however, would keep the statutory debt limit constant, and allow for new municipal capital expenditures, financed by borrowing, only as outstanding debts were retired. It would not establish an inverse relationship between municipal debt limits and property assessments.

The following proposal is made with a view to providing a statutory debt limit for municipalities which will tend to restrict borrowing when assessments are rising, and expand it somewhat when assessments are declining. In other words, it is an attempt to adjust municipal borrowing to the vagaries of the business cycle. It is predicated upon the construction of an index of property assessments, which will reverse the debt limits, now commonly based on a fixed percentage of annual assessments.

INDEX OF PROPERTY ASSESSMENTS

Such an index may be prepared by computing a moving average of municipal property assessments for a given number of years, approximately the estimated length of either a minor or major business cycle, and dating this average forward. For example, the debt limit in any given year may be set at a legal fixed percentage of the average assessments of property in the municipality in the five preceding years,[1] or any other number of years. Thus the legal base for borrowing in 1935 might be made a fixed percentage of the mean average of property assessments for the years 1930 to 1934 inclusive. If a sufficiently long period of years is chosen for this forward dated moving average, the legal borrowing power of a municipality might be made to expand during protracted periods of depression, so long as the decline in the assessments in the most recent years did not exceed the increases in assessments during the earlier years of the chosen series. On the other hand, with increasing business recovery, and rising property values, legal borrowing power would not expand until the increases in assessments at the end of the chosen series of years exceeded the declines in the earlier years. This would mean that with expanding property assessments municipal borrowing power would be held in check, and the increasing tax revenues collectible with business recovery could be applied, in

[1]The computations are based on five- and nine-year forward dated moving averages of real estate assessments in the city of Philadelphia from 1917 to 1935 inclusive.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Comparison of Actual Real Estate Assessments
with Forward Dated Moving Averages in Philadelphia.
(1917 to 1935 inclusive)

part, toward liquidating outstanding municipal indebtedness.

To illustrate the method of establishing legal borrowing limits as here suggested, data on real estate assessments for the city of Philadelphia have been employed. Although both real and personal property form the basis for computing the legal debt limit for non-self-supporting indebtedness in Philadelphia at present, personal property assessments have been very unstable. Moreover, recent suggestions for municipal tax reform in Philadelphia have been directed, in part, toward the abolition of personal property taxes, since they are notoriously evaded. Table No. 1 gives the actual real estate assessments in Philadelphia from 1917 to 1935, inclusive, in comparison with the five- and nine-year forward dated moving averages.

The accompanying chart depicts the difference between actual real estate assessments in Philadelphia from 1917 to 1935, inclusive, and the five- and nine-year forward dated moving average of assessments, respectively.

Based on Table No. 1, the following computations indicate the debt limits as a fixed percentage of actual annual real estate assessments, and the same percentage of a five- and nine-year forward dated moving average for the same period. For illustrative purposes a 15 per cent debt limit has been assumed. This percentage of the five-year forward dated moving average of real estate assessments would have been adequate to establish a legal debt limit for 1931, approximately equal to the then outstanding non-self-supporting municipal debt.

It will be noted that the debt limit based on a fixed percentage of actual real estate assessments has declined since 1931. On the other hand, based on a five-year forward dated moving average, it would have continued to increase until 1933, and since then have decreased by only about $12,000,000. With a nine-year forward dated moving average of assessments as basis, the legal debt limit would have continued to rise to 1935. But it is significant to note that in the years prior to 1931 there would have been a very pronounced lag

TABLE NO. 1

Year	Actual Real Estate Assessments[a]	Five-Year Forward Dated Moving Averages	Nine-Year Forward Dated Moving Averages
1917	$1,721,540,000	$1,608,692,000	$1,494,678,000
1918	1,768,253,000	1,646,242,000	1,542,880,000
1919	1,830,108,000	1,688,628,000	1,592,937,000
1920	1,940,800,000	1,722,608,000	1,645,266,000
1921	2,162,228,000	1,773,720,000	1,698,760,000
1922	2,193,275,000	1,861,857,000	1,768,516,000
1923	2,322,223,000	1,946,862,000	1,839,218,000
1924	2,630,578,000	2,049,927,000	1,918,506,000
1925	2,772,180,000	2,210,012,000	2,026,217,000
1926	3,030,781,000	2,376,301,000	2,146,878,000
1927	3,163,546,000	2,550,012,000	2,292,195,000
1928	3,325,580,000	2,744,066,000	2,447,073,000
1929	3,404,468,000	2,944,737,000	2,613,070,000
1930	3,453,791,000	3,099,515,000	2,775,539,000
1931	3,468,011,000	3,235,837,000	2,918,903,000
1932	3,449,317,000	3,323,283,000	3,060,399,000
1933	3,255,705,000	3,380,438,000	3,185,506,000
1934	3,071,878,000	3,366,463,000	3,254,895,000
1935	2,870,000,000[b]	3,299,945,000	3,288,162,000

[a]City Controller's Annual Report (1933, p. 45) for 1917 and 1918. Subsequent years from corrected final assessment data compiled by the Bureau of Municipal Research of Philadelphia.

[b]Approximately.

TABLE NO. 2

Year	15% of Actual Real Estate Assessments	15% of 5-Year Forward Dated Moving Average	15% of 9-Year Forward Dated Moving Average
1917	$258,234,000	$241,303,800	$224,201,700
1918	265,238,000	246,936,300	231,432,000
1919	274,516,200	253,294,200	238,940,600
1920	291,120,000	258,391,200	246,789,900
1921	324,334,200	266,058,000	254,814,000
1922	328,991,300	279,278,600	265,277,400
1923	348,333,500	292,029,300	275,882,700
1924	394,586,700	307,489,100	287,775,900
1925	415,827,000	331,501,800	304,232,600
1926	454,617,600	356,445,200	322,031,700
1927	474,531,900	382,501,800	343,829,300
1928	498,837,000	411,609,900	367,061,000
1929	510,670,200	441,710,700	391,960,500
1930	518,068,700	464,927,300	416,330,900
1931	520,201,700	485,375,600	436,835,500
1932	517,397,600	498,492,500	459,059,900
1933	488,355,800	507,065,700	477,825,900
1934	460,781,700	504,969,500	488,234,300
1935	430,500,000	494,991,800	493,224,300

in the debt limits based on the moving averages and those based on actual assessments.

If a five-year forward dated moving average of real estate assessments had formed the basis for computing the legal debt limit in Philadelphia during the past decade, it would have shown the following deviations from actual assessments.

TABLE NO. 3

Year	Difference between 5-Year, Forward Dated Moving Average and Actual Real Estate Assessments
1924	$—580,651,000
1925	—562,159,000
1926	—654,480,000
1927	—613,534,000
1928	—581,514,000
1929	—459,731,000
1930	—354,276,000
1931	—232,174,000
1932	—126,034,000
1933	+124,732,000
1934	+294,585,000

It becomes apparent from the foregoing table that the municipal debt limit for non-self-supporting debts, based on a five-year moving average dated forward, would have increased materially in recent years, while real estate assessments were declining. The actual possibilities of municipal borrowing to finance public works during periods of declining property assessments is, of course, not merely limited by available legal borrowing power and other statutory restrictions, but also by conditions in the bond market. When, however, a municipality has a negative legal borrowing power during periods such as the present, it is not in a position to finance sorely needed public improvements with new borrowing, no matter how favorable the bond market for municipals may be. To raise the legal debt limit under such conditions in order to make more borrowing possible, as has been suggested, without, however, changing the base, would merely serve to perpetuate the mistakes of the past. It would lay the foundation for further governmental extravagance with business recovery, unless indeed rigorous legal restrictions could be imposed. A forward dated moving average as a basis for municipal debt limitation, as here suggested, would serve as a legal check upon a too rapid expansion of capital expenditures with recovery in municipal real estate values and resultant higher assessments.

Borrowing Machines

The new "authority" —is it blessing or menace?

HORACE A. DAVIS

Author, "Judicial Veto," New York City

An Interesting by-product of the depression is the crop of "authorities" that has sprung up over night like mushrooms. The new "authority" is a legalistic device to enable a community, in debt up to its ears and unable to borrow in its own name, to get money from Uncle Sam. That may be an excusable, even a laudable, scheme in an emergency; but its merits as a stop-gap should not blind us to the danger that our new crop may prove to be chiefly toadstools—a diet far from wholesome for the body politic.

An authority is a cross between a business corporation and a city government. With a purpose ordinarily limited to a single money-making enterprise, it nevertheless is clothed with much of the majesty of a municipal corporation, free to operate without control. It has large powers, sometimes extending to eminent domain, taxation, and even police and always including the capacity to borrow money and issue bonds—which is its chief function.

It is an independent civic body as definitely removed from the city as it is from the citizens. Once give it the breath of life and it functions until its enterprise is complete and its bonds retired—perhaps forever. It is free from the ordinary restraints on city government—publicity and the polls. It may be created by special act of the legislature, like the Triborough Bridge Authority, or by general act of the legislature, like the Tenement House Authority (both New York enterprises). In the latter case there is no limit to the number of authorities which by special election or by decree of the municipal government, may spring up in different cities under a single state law.

The name "authority" is derived from the first of its kind—the Port of London Authority, created in 1908 by Parliament. The statute creating that body contained paragraph after paragraph beginning, "Authority is hereby given," so Lloyd George, at a loss for a name for the new organization, suggested that it be called "authority"; and the title has been copied until now, with its wide adoption in the last few years, it has established itself as the title of a definite new type of municipal corporation.

Before the depression Lloyd George's invention was already being rather widely adopted. The best known instance is the Port of New York Authority. This grew out of the unique structure of the metropolitan district at the mouth of the Hudson. This metropolitan area extending from White Plains, New York, to the ocean and from the Connecticut line to Summit, New Jersey, embraces a population of almost nine million people scattered in one hundred and eighty-five separate municipalities in two states. Naturally there has been rivalry between the states and competition for

an increasing share of the mighty commerce that flows through New York Bay, as well as friction in carrying out any plan that affected more than one city. It was only a little over ten years ago that the people of the two states reached the conclusion that coöperation would be better for all concerned, and set about finding an instrument to manage the complicated situation. The Port of London was taken as a model and a treaty was drawn up between New York and New Jersey and approved by Congress creating the Port of New York Authority. Thus the difficult problem of obtaining joint legislation from the two states and assorted permits from the scores of municipalities for every forward move was largely disposed of.

Its first function has been to plan and persuade, and in this it has been highly successful with local governments, and with the Interstate Commerce Commission. Where state or municipal permission is now required it is given willingly on the request of the Authority. From the railroads, however, there has been little or no response. Even proof that a new system of deliveries will save the roads two million dollars a year will not budge those exemplars of big business. The main purpose of the Authority, the unification of railroad terminals and the simplification of freight movements in and around the harbor, is therefore still largely unfulfilled. But in spite of obstacles thrown by the railroads in the path of every proposed improvement, the Port Authority has managed to survive and perform tasks of great importance.

Largely because it has the power to issue bonds that are not a charge on any other public body or locality, the two states turned over to it the job of building bridges across the Arthur Kill. This it accomplished with marked success, showing such skill in caring for traffic, designing a beautiful structure and financing at low cost, that it was soon given the task of building the great George Washington suspension bridge with the longest span in the world, and of managing the Hudson Tunnel. It also has power under its general charter to function independently in other directions. In the heart of New York it has built a huge building occupying an entire block as the first of several proposed freight terminals. With these new enterprises has come great prestige for the Port Authority and good repute for authorities in general.

Similar in scope and circumstance are the Delaware River Joint Commission organized by New Jersey and Pennsylvania to build and operate a bridge over the Delaware at Camden, and the Lake Champlain Bridge Commission, a New York and Vermont enterprise; and it seems likely that other states will follow suit, where commerce requires interstate river or harbor development. Perhaps also power projects, when states get around to that industry, will take the same course, although the St. Lawrence Power Authority failed to obtain the consent of Congress, and in the case of Boulder Dam and Muscle Shoals Congress did not await state action; the one is managed directly by the Department of the Interior, the other by the Tennessee Valley Authority, a federal corporation.

II

Much more common is the intrastate authority, although operating under a variety of names. Ports and bridges are again the chief motif, with the Port of New Orleans as the leader. Like London, New Orleans has concerned itself chiefly with docks and warehouses, and like London it has been eminently successful. Portland, Oregon, is in the hands of a reputable authority, and so is Albany. Alabama, California, Kentucky, New York and West Virginia have bridge authorities.

As these organizations vary in name, so they vary in detail and shade in-

sensibly into those familiar instruments of local government, the district. Districts of one sort and another are legion throughout the whole United States. They exist under all sorts of names and for purposes too numerous to recite; but school, highway, irrigation, drainage, sanitation, bridge, sewer, levee will all sound familiar.

There are two ostensible reasons for creating districts. The first is that many enterprises such as drainage and irrigation cut across county and town lines; and since political units in this continent do not tend to conform to topography, any given spot may find itself the focus of a dozen different municipal activities and so eventually within a dozen different districts criss-crossing helter-skelter for all the dozen different purposes.

The second reason is best illustrated by schools. Public education is a function of the state. In normal course it is administered by cities, towns and villages under state supervision, since there is no reason for the state to create special districts to manage the schools. What ordinarily happens, however, is that the citizens of some neighborhood grow dissatisfied with the education offered to their children and apply for a separate local organization. Originally school districts were created by special act of legislature, but the movement spread so widely that it has long been standardized under general laws. The usual set-up is a local board of education superseding the municipal officials in all school matters. Running expenses must be paid by the city through its regular fiscal machinery, while permanent improvements must ordinarily be ratified by vote of the citizens.

It is significant that there is today a clear tendency to transfer all non-professional functions from the Board of Education to city officials.

School district improvements such as new buildings are paid for by bond issues; and it must not be forgotten that all these other districts also have the power to issue bonds, with or without the vote of the citizenry; and so do "authorities". Tested by bonds outstanding, there is a great difference among the various states. Rhode Island gets along with a single district issue, a fire bond; Vermont with two, both for schools. Minnesota and North Carolina have only school bonds. California on the other hand has plastered itself all over with bonds issued by hundreds of districts of every conceivable kind. Needless to say many are in default and these find plenty of bad company in numerous other states. All these bonds, whether being served or not, are ordinarily a lien on the real estate within the district.

The result of the system is that the taxpayer and especially the owner of real estate is billed for taxes by a dozen different departments, or finds on his consolidated bill items from a dozen different sources—the municipality, the school district, and all the other districts—and what appears to be an economical and efficient local government is disclosed as a haphazard spendthrift. Whether it is sound policy to add a new series of concealed obligations emanating from a third class of municipal corporations—the newly devised "authority"—may be seriously questioned.

Just at present there are genuine differences between authorities and districts and it is to be hoped that they will continue, although there is no good reason for supposing that they will. In fact, the lack of any clear theory of organization is already manifest, just as is the lack of discrimination in names. The main characteristics of an authority are that it is organized for a single business purpose, and is endowed from the start with power to carry that purpose out and to raise funds on the credit of the enterprise itself. It exists pri-

marily not to discharge civic duties but to take over the management of a revenue-producing enterprise that has come under public control. If the legislative mind had worked that way eighty years ago it might have started a series of water authorities in all our large cities, or still earlier, toll authorities, as it took over private road, bridge and water companies. Curiously enough it is precisely in the region of toll highways, especially bridges and tunnels, that authorities are now being formed in greatest profusion.

A prime requisite of an authority is that its business shall be self-liquidating. Its creation is justified only to manage an enterprise that produces revenue enough to take care of all its outlay, including not only running expenses but, far more important, its fixed expenses—its cost of installation and upkeep and the repayment in full of the moneys borrowed to build it. This is supposed to be an absolute prerequisite to aid from Uncle Sam, and if truth be told, it is the real reason why there was so much delay in starting such authorities as the Tenement House—where the enterprise is primarily civic and not obviously self-supporting.

Organization of authorities has also followed the Port of London model so as to be inherently non-political. They are all managed by boards appointed by the mayor or governor without political bias and serving without pay. From the beginning the authorities have secured the willing service of the highest type of citizen. In England membership on the Port of London Authority has been considered a distinguished honor justifying active expenditure of time, brains and energy, and so in New York and New Jersey for the Port of New York Authority. And such leadership has in turn inspired the salaried staff, from general manager down, to a spirit of ambitious unselfish service seldom seen in the ranks of public employment. In this third feature, however, the authority is not unique, since boards of education also are ordinarily manned by volunteers.

III

This survey of municipal, or more properly submunicipal, corporations raises the big question—WHY?

Is the new fangled authority or even the good old district a useful administrative instrument or is it only the lazy man's answer to more or less embarrassing questions? Whenever the impatient American finds that some civic job is being mismanaged his first impulse is to "take it out of politics" by creating a commission to run it. For a while this works well, but the inevitable result is that the commission is soon subjected to political pressure and develops into a minor nursery for graft of its own. As for the central administration, it soon recovers from its chastened mood, and sets out to make the best of what is left. As its proper functions one after another are split off, it has less and less responsibility, becomes less and less interesting to its citizens and grafts with greater impunity in the still abundant channels that are left open. It is earnestly argued by students of government that the true remedy is precisely the opposite—the concentration of power in a single head that then becomes responsible for every function, touches everybody's interest at some point or another, keeps the citizenry alert and is held strictly to account.

Even where the project not only crosses county lines but is limited and technical in scope, as a bridge or tunnel, there is no real necessity for creating an authority to carry it out. A good highway department will take such a situation in its stride. Although there are many water districts, no city has turned over its water supply to an authority. Yet the supplying of water to a city is

fully as complicated a problem as any intrastate traffic or commercial problem which has bred an authority; and in addition it is wholly separate from other public functions and can be and ordinarily is made self-supporting. In other words it is admirably adapted to authority management, and in one outstanding case, the Passaic Valley Water Commission, where several cities are served from a single source, the authority machinery is successfully employed.

It is often argued that a self-liquidating project is no drain on the public purse, and therefore a community that has reached its legal debt limit and the limit also of its financial credit, may nevertheless embark on new borrowing through a separate self-supporting entity—or to put it more bluntly than the promoters dare, that a bankrupt city may build a toll bridge without increasing the municipal burden. Of course that is a fallacy. The tolls are a latent resource of the community and if absorbed by the bridge, leave the city that much poorer. The expense of building the bridge, though not an obligation of the city or a lien on its real estate, must be paid by substantially the same people who already owed so much they couldn't borrow any more. And what if the tolls do not in fact pay the expense of the bridge? It has been naively asserted by no less an authority than the general counsel of the Port of New York Authority that the bond holder is safe because "the authority is under legal obligation to make charges adequate to meet operation, maintenance and debt service". But how, if the traffic is insufficient to carry such a burden at any charge, no matter how high, how low or how reasonable? The authority can hardly go out and push the public through its toll gates. From the beginning it is a matter of estimate how many cars and how many passengers will wish to go over the bridge and how many will actually go at one rate or another. If the estimate is wrong and the authority has no other source of revenue, the city, whatever the legal situation may be, physically has another bridge on its shoulders and actually has an increased debt burden to take care of.

A project that with stark simplicity illustrates some of the chief characteristics of the authority is The American Museum of Natural History Planetarium Authority of New York City. In spite of its name this is only a "public benefit corporation," not like the others we have been discussing, a "body corporate and politic".

This illustrated astronomy adventure was solemnly brought into being with all the formality required by the constitution for a statute urgently needed to save the commonwealth from disaster; namely, by a two-thirds vote of the legislature acting under the Governor's "emergency message and message of necessity!" Think of that—*emergency* for one ball to revolve around another, *necessity* to look at a movie of the stars! But what is the constitution among friends? After all it is not the circumstances of its birth that are of special interest, but its financial program. It is authorized to borrow $1,000,000 and plans to spend at least $800,000 for its apparatus and its hall, already under construction. For this purpose it has issued and sold to the hard-boiled Reconstruction Finance Corporation its twenty-year bonds backed — I can hardly bring myself to say "secured"—only by admission fees. Without lien on real estate or guarantee by museum, city or state, these bonds, true to type, have been made legal investments for savings banks and trustees! Incidentally they are tax-exempt. For service of these bonds the planetarium must collect over $50,000 a year, and after that it must take in enough more to pay running expenses. It can easily be figured that it will need a steady paid

attendance of some seven hundred visitors a day to keep its head above water. While the enthusiasm manifested at the Chicago Fair continues, seven hundred a day is plausible; but personally I have not forgotten mah jong and jig saw puzzles, and I should not care to stake my own investment funds on the proposition that the American public will continue for twenty years to take a twenty-five cent interest in a movie of the stars.

Where authorities have been obliged to get their funds from the public, it is evident that Wall Street has to some extent shared my misgivings. Although the bonds are almost always made legal for trustees and tax-exempt, they do not enjoy the highest rating. One Port of New York issue, the Holland Tunnel bonds, enjoys second rating, Aa. So does the Port of Albany, but this is backed by ad valorem taxes on all property in two counties. The Port of Portland, Oregon, with similar backing is rated A (third class, but still good investment); while on the other hand Port of Astoria bonds are in default and classed as highly speculative, Caa. The Kentucky Highway and Bridge Commission bonds are mostly fifth grade, Ba, and at best fourth, Baa, as are the Lake Champlain Bridge bonds, though the latter are secured by mortgage. Other Port of New York issues drop from good investment, A, to doubtful, Ba.

That there is ample reason for discrimination in the Port of New York issues appears from the reports of that Authority, which show that in 1933 there were deficits of $240,000 on the Bayonne Bridge and of $295,000 on the Arthur Kill Bridges. The Inland Terminal, not yet fully rented, also admits a deficit. All these were more than offset by surpluses from the Hudson Tunnel and George Washington Bridge. Yet it must be remembered that each enterprise is supposed to stand on its own bottom, with "charges adequate to meet operation, maintenance and debt service"; and that as a matter of fact the first three ventures of the Port are all unable to meet expenses. The bondholders may have had some anxious moments between 1926 and 1931, when an act was passed pooling surplus revenues to the extent of ten per cent of the total bonds. Before that the holders of series A bonds, issued for the Arthur Kill Bridges, could not have complained if the Authority had lowered its tolls on the Hudson Tunnel, spent its reserves building new terminals and belt lines, and left no surplus to make up the bridge deficits. Their only recourse would be to take over the operation of the bridges and collect for themselves what tolls they could. From the point of view of the depositor, doesn't it seem as though such enterprises should be made to show a record of actual earnings before their bonds are made legal for savings banks?

Finally what assurance have we that the personnel of authorities will always remain so high in character? That the members of the board receive no pay and may not ordinarily be city officials is supposed to guarantee a high standard of appointee and has almost without exception so operated in the past. But the authority, young as it is, has already had its little scandal; and does any one suppose that a wide awake district leader will refuse membership on a board that manages business running into the tens of millions of dollars annually just because he draws no salary? Take your eye off authorities for a few years and see what kind of boards you will get. When Tammany was mayor of New York it had an opportunity to appoint the board of the Triborough Bridge, a project comparatively inconspicuous, but involving the expenditure of $35,000,000 of borrowed money. It made no call on eminent engineers, civic administrators or men of national repute, but selected three political hacks, lawyers with no training or qualification for bridge build-

ing. Their first and almost their only act was to appoint general counsel who charged $25,000 for seven months' work, chief engineer at a salary of $20,000, general manager at $15,000, and other officers all at figures higher than corresponding salaries in the city service. Fortunately Tammany lost its job in the next election and the new mayor promptly brought charges against the two surviving commissioners, one having died. One resigned and the other who impudently clung to his post, was removed by the court for inefficiency. If the board had kept quiet instead of foolishly getting into the limelight by trying to borrow from the Public Works Administration, who knows but that it might have lived peacefully through the term of the new mayor; but when the PWA refused to lend while the authority was paying such exorbitant salaries, the fat was in the fire.

Even the Port Authority has not kept free from gossip. The busybodies insist on asking whether Governor Larson is such a crackerjack engineer that his services as consultant — one of six on the payroll — are worth $10,000 a year; and whether it was strictly ethical for General Manager Ramsey to accept a loan of $10,000 from the National City Company, just after that concern had underwritten an Authority bond issue.

IV

When the depression is over and it has again become more important to save than to spend, what are we going to do about authorities? Those already in existence will live out their allotted term, till their business is accomplished and their bonds paid off — if that ever happens. But what about new ones? Shall we continue to encourage them as an accepted instrument of government? Is Governor Alfred E. Smith right in saying: "The Port Authority, to my way of thinking, represents the modern agency for progress in public works?" Or are they a mere camouflage for improvident spending, an unnecessary and vicious decentralization of power and responsibility, leading to political abuses more abundant and harder to cure?

The true answer seems to be that neither extreme is correct. There is a genuine need for authorities to manage large interstate projects. Under circumstances such as prevailed in New York Harbor, local municipal government was paralyzed and a radical departure from the old inadequate agencies was imperative. The Port Authority was a happy solution. There is no possibility that it will be abandoned nor much likelihood that it will cease to function admirably. In like situations the several states concerned cannot do better than get together, create an authority and hand over to it the whole business, with the broadest power and control.

For intrastate projects, and still more for intra-urban projects, there seems to be little excuse for adopting an authority. If for some special reason it is desirable to raise money without obligating the municipality, if the project is sound, certainly self-liquidating and of such a character that from a business point of view the municipality could properly guarantee it, and if the need is urgent, then there would seem to be some excuse for acting through an authority. It is hard to apply such a test, however, for a municipality that cannot borrow is hardly in a position to guarantee, and it is precisely to escape from a guarantee that the city resorts to an authority. But conceding that such a situation might arise, the type of authority most appropriate is that of the Planetarium—a corporation with a short, clearly defined life and power limited to the bare necessities of the case. Let us frankly recognize that such an authority is nothing but a borrowing machine.

Bonded Debt of 274 Cities as at January 1, 1935

Net and per capita debt of cities increase over last year

C. E. RIGHTOR *Municipal Service Department, Dun & Bradstreet, Inc.*

THE tabulation which follows is a summary report of the bonded debt as at January 1, 1935, of 274 cities, over 30,000 population, of which 260 are in the United States and fourteen in Canada. Fifty cities of this country and four in Canada having a population in excess of 30,000 failed to supply the desired data.

The table presents the total gross bonded debt, with a subdivision of this total into the three general classes of general public improvement, public school, and public utility; the total amount of the sinking fund with a percentage distribution by the three classes named; the net total bonded debt; the net total bonded debt to be retired from taxation (reported as "excluding self-supporting"), both total and per capita; and the total gross special assessment debt.

The form of presentation is unchanged from that of past years, this being the thirteenth annual tabulation of these data, with some variation in the cities reporting each year. The cities are listed in order of population according to the official 1930 census, and by the five census groups, as reliable figures of population changes since then are not available. The population figures for the Canadian cities are also the latest obtainable.

The primary object of the tabulation is to make available a current, concise, and complete statement of the total amount of bonds outstanding in the name of the city, and the total and per capita amount of such bonds that must be retired through future tax levies upon the taxable property of each city. The table therefore affords a ready comparison of both total and per capita debt by cities, as well as by census groups.

The presentation of the debt data in a single line is easily possible for a large number of the cities, while for the others adjustments of various kinds have been required. The footnotes indicate some of the complexities that arise — as examples, school debt in several states is in the name of a school district which may or may not be co-terminous with the city, or of a county, although the property within the city is taxed to retire its portion of the bonds; there are found many types of special and overlying districts having authority to issue bonds, only a portion of same being chargeable to the city; the proportion of total debt that is self-supporting is not always definitely ascertainable; sinking funds are sometimes in a single account, the proportion by classes of debt being based upon estimates only, etc. The Census Bureau's "Financial Statistics of Cities" includes with the debt of sixteen of the largest cities a percentage of the county debt, but this rule is not followed herein, although in a few instances the city and county are consolidated so

there is no county debt. Further, temporary debt in the form of tax and revenue notes and warrants, etc., is not included, it being purposed only to report the debt in the form of bonds. Because of these affecting factors, therefore, it is necessary to refer to the footnote in each case to obtain an exact knowledge of any city's debt.

The per capita debt is reported only for net debt excluding self-supporting. To obtain this figure, the obligations of the utilities are ordinarily deducted, either in whole or in part. Most cities own their water systems, and except as the utility debt is analyzed in a footnote, the utility debt is water bonds. A few cities do not deduct water or other bonds in computing their net debt to be retired from taxation, as such bonds are construed to be general obligations for which the general fund meets the debt service. It is found, further, that statutory provisions variously define the deductions that may be made to determine net debt, but these diversified and arbitrary local provisions are not observed here, only the sinking fund and debt reported as self-supporting being deducted from the gross figure.

It has been found desirable to report the special assessment bonds outstanding, but the amount of such debt is separately reported in the last column. Usually the amount is not included by a city in its statement of bonded debt, but it may be separately stated; therefore, it is so reported here and is not included in the preceding columns of gross and net debt nor in computing the per capita net debt. In some instances, however, such bonds are considered general improvement debt and are so classified, the offsetting revenues from assessments being an asset of the general fund. This form of debt may be a direct obligation of the city in whole or in part, or only a contingent liability subject to payment of debt service by an assessment district, or it may rest upon the district only; but, in any event, it constitutes a burden upon all or part of the taxable values of the city, and so merits consideration.

GROSS AND NET DEBT

The tabulation shows a gross debt of $8,072,988,834 for the 260 cities of the United States, and $509,245,301 for the 14 cities of Canada reporting. The average per capita gross debt is $179.68 for the 260 cities, and $253.99 for the 14 Canadian cities.

The Census Bureau reported a total debt of $8,842,189,000 in 1932 for all cities, towns, villages and boroughs. As the cities here reported comprise 91.3 per cent of this total debt, it is evident that the incurrence of indebtedness is largely an accompaniment of concentration of population. The Census Bureau figures include special assessment debt, omitted in this tabulation. The amount of such debt reported for the current report was $231,326,950 for the cities of the United States, and $51,242,815 for the cities in Canada.

The total net debt excluding self-supporting of the 260 cities is $5,307,212,059, with an average per capita of $118.12. The latter figure compares with $119.90 for 240 cities reporting one year ago. A net figure for the Canadian cities was not obtainable, as the Montreal and Toronto data were incomplete.

The data show the usual wide range in per capita debt excluding self-supporting. Except for Washington, which has no funded debt, the figures run from $4.52 for Springfield, Ill., to $377.13 for Atlantic City. The latter city, as a resort community, is of course subject to substantially larger seasonal population which might affect its net debt figure. The per capita net debt of the 260 cities reported by the five census groups, is $150.01 for group one, and $94.84, $95.15, $87.61, and $73.98, respectively, through group five.

Within the groups, the per capita

spread is from $84.14 for St. Louis to $205.44 for Philadelphia, in Group I; from $67.80 for Seattle to $194.27 for Newark, in Group II; $13.13 for Peoria, to $318.73 for Miami, in Group III; for Group IV, Springfield and Atlantic City, as given; and in Group V, from Sheboygan, with $12.03, to White Plains, with $366.52. The Canadian cities show a variation from $44.33 for St. John to $230.72 for Winnipeg.

TREND OF DEBT

Comparison was made of the gross debt and net debt exclusive of self-supporting for 217 cities of the United States and 12 cities of Canada that reported in both 1934 and 1935, as a gauge of the trend of city debt. The analysis shows for the 217 cities a growth in gross debt from $7,682,440,000 to $7,774,861,000, or $92,421,000, the per capita increase being from $183.79 to $186.00 for the year. The Canadian cities reduced their gross debt $7,527,000 to $488,584,000, the per capita reduction being from $263.00 to $259.01. Numerically, it is found that 99 cities in the United States increased, and 118 cities reduced, their gross debt, while four Canadian cities increased, and eight reduced, their total. This expansion in municipal credit may be attributed to many factors, including the financing of relief by bond issues, obtaining of PWA funds for local improvements, refunding operations involving both the funding of current indebtedness and extension of existing maturities, and the plentiful supply of capital available for investment in municipal securities at low rates of interest.

The analysis of net debt excluding self-supporting in the 217 cities (excluding Washington) showed a reduction of $105,305,000 from the total of $5,166,434,000 one year ago. New York City alone, however, showed a net reduction of $170,299,000, and as its figures for 1935 were estimated and not official they are deducted to obtain a more nearly accurate interpretation of trend. The remaining 216 cities show a net total increase from $3,698,500,000 to $3,764,500,000, with a per capita growth from $106.07 to $107.93, for the year. While 90 cities increased their net total, 126 cities effected a smaller net total reduction. Six Canadian cities reported a net increase, while five showed a reduction, the average per capitas not being computed because of incomplete data. By census groups, from I through V, the net per capitas for 1935 are $150.01, $105.11, $92.66, $88.31 and $75.04, respectively.

Bond sales by states and municipalities during 1934, as reported by *The Bond Buyer,* totaled $1,174,000,000, exclusive of $546,577,000 short-term loans; this figure was $46,905,000 larger than the previous year, and involved 4,647 issues as compared with 2,516 one year ago. Of the total, $230,461,000 represents loans made by PWA, and $42,885,000 by RFC, a falling off of the amounts the preceding year, which were $278,060,000 and $206,302,000, respectively. Refunding operations were reported for $277,000,000 during 1934. The same authority reported that voters approved $268,902,000 during 1934, as compared with $507,121,000 in 1933, and $132,196,000 in 1932.

The year 1934 was marked by extensive legislation designed to facilitate cities in obtaining federal funds for local improvement projects, and by court interpretations upon such legislation. The laws have tended to broaden the borrowing powers of cities, including that of issuing revenue, or special fund, bonds not involving the credit of the municipality; at the same time, there has been a tendency to provide for greater state supervision over local finances.

In May 1934 Congress enacted the municipal debt readjustment act, to be operative for an emergency period of two years. This measure has been dis-

cussed in the REVIEW. The number of defaulted communities in the United States increased during 1934, *The Bond Buyer* being authority for the statement that at the end of the year there were 2,716 counties, municipalities, and special districts in default; most of them, however, in communities of less than 5,000 population, and involving possibly only 5 per cent of the total municipal debt of the nation. Progress toward refunding the defaulted status of many communities was made, but, unfortunately for the municipalities, not always in accordance with sound financial principles. The need of troubled municipalities is the development of a code for defaults, involving application and extension of the policies so well set forth by the Florida League of Municipalities,[1] as a safeguard against the threatened action of professional chiselers among their creditors. These policies provide for determining capacity to pay, upon the basis of a reasonable tax, upon real values, for adequate operating costs, and a statement of all facts to the creditors.

This tabulation was made possible through the voluntary coöperation of a large and growing number of public officials in cities throughout the United States and Canada, in addition to the citizen agencies in some instances. Their assistance is appreciated and is hereby acknowledged.

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[1]*Florida Municipal Record,* Sept., 1934.

BONDED DEBT OF 274 CITIES AS AT JANUARY 1, 1935

Compiled by the Detroit Bureau of Governmental Research, Inc.

From Data Furnished by Members of the Governmental Research Association, City Officials, and Chambers of Commerce

		Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total	
	Census 1930	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-supporting	Per Capita Excluding S. S.	Gross Spec. Assessment	
Group I														
Pop. 500,000 and over														
1 New York, N. Y.[1]	6,930,446	337,473,547	41,939,500	5,750,000	2,387,219,815	489,586,003	40	..	60	1,897,633,812	1,297,633,812*	187.24		1
2 Chicago, Ill.[2]	3,376,438	722,219,815*	365,000,000*	1,300,000,000*	385,163,047	N	..	..	..	385,163,047	385,163,047	114.07	3,289,000	2
3 Philadelphia, Pa.[3]	1,950,961	552,154,500	64,361,000		616,515,500	155,712,888	82	18	..	460,802,612	400,802,612	205.44	N	3
4 Detroit, Mich.[4]	1,568,662	182,064,948	73,602,520	127,469,063	383,136,531	32,620,330	39	30	31	350,516,201	254,779,291	162.42	5,159,645	4
5 Los Angeles, Calif.[5]	1,238,048	55,906,650	49,632,593	129,940,910	235,480,153	2,836,212	N	N	100	232,643,941	105,539,243	85.25	10,249,250	5
6 Cleveland, Ohio[6]	900,430	87,059,895	18,317,250	30,649,500	136,026,645	8,060,840	84	16	..	127,965,805	97,316,305	108.08	5,109,827	6
7 St. Louis, Mo.	821,960	72,541,000	3,996,000	8,316,000	84,853,000	7,813,233	77	17	6	77,039,767	69,162,634	84.14	N	7
8 Baltimore, Md.[7]	804,874	130,499,483	26,745,227	36,504,870	193,749,580	30,544,082	85	4	11	163,205,498	116,383,342	144.60	....	8
9 Boston, Mass.[8]	781,188	80,479,300	7,952,000	78,278,700	166,710,000	33,307,043	48	9	43	133,402,957	69,368,810	88.80	....	9
10 Pittsburgh, Pa.	669,817	56,240,572	21,159,655	7,474,928	84,875,155	3,258,273	54	44	2	81,616,882	74,219,300	110.80	N	10
11 San Francisco, Calif.[9]	634,394	42,706,000	14,975,000	107,405,000	165,086,000	N	..	..	..	165,086,000	103,676,000	163.43	N	11
12 Milwaukee, Wis.[10]	578,249	50,522,287	8,972,233	1,000	59,495,520	5,020,620	82	18	0	54,474,900	54,474,900	94.21	N	12
13 Buffalo, N. Y.	573,076	74,841,932	22,259,000	16,958,020	114,058,952	6,126,011	18	..	82	107,932,941	95,972,564	167.47	219,710	13
Group II														
Pop. 300,000 to 500,000														
14 Washington, D. C.	486,869	No bonded	debt											14
15 Minneapolis, Minn.[11]	464,356	32,007,927	20,645,424	3,988,000	56,641,351	4,797,061	58	37	5	51,844,290	48,707,017	104.89	7,448,520	15
16 New Orleans, La.[12]	458,762	51,973,000	5,305,000	3,000,000	60,278,000	N	..	..	..	60,278,000	57,278,000	124.85	7,854,080	16
17 Cincinnati, Ohio[13]	451,160	48,270,719	15,944,000	41,176,530	105,391,249	37,999,408	48	9	43	67,391,841	38,876,194	86.17	5,183,213	17
18 Newark, N. J.[14]	442,337	68,198,000	19,660,200	32,185,000	120,043,200	14,779,321	49	32	19	105,263,879	85,934,099	194.27	....	18
19 Kansas City, Mo.	399,746	26,211,000	19,915,000	13,449,000	59,575,000	5,940,000	18	53	29	53,635,000	41,922,000	104.87	N	19
20 Seattle, Wash.[15]	365,583	14,328,500	11,111,655	52,211,500	77,651,655	651,897	64	36	N	76,999,758	24,788,258	67.80	22,206,724	20
21 Indianapolis, Ind.	364,161	16,797,681	9,994,000	N	26,791,681	1,614,622	37	63	N	25,177,059	25,177,059	69.14	3,785,492	21
22 Rochester, N. Y.	328,132	30,548,000	16,677,000	8,623,500	55,848,500	4,615,300	24	20	56	51,233,200	45,204,603	137.76	9,665,000	22
23 Jersey City, N. J.	316,715	32,236,166	14,646,000	15,491,255	62,373,421	7,463,415	36	21	43	54,910,006	42,647,149	134.65	N	23
24 Louisville, Ky.[16]	307,745	27,517,400	10,966,400	1,079,000	39,562,800	6,965,169	..	..	..	32,597,631	31,518,631	102.42	N	24
25 Portland, Ore.[17]	301,815	24,858,505	8,570,657	20,997,000	54,426,162	9,249,330	35	..	65	45,176,832	30,211,844	100.10	5,829,789	25
Group III														
Pop. 100,000 to 300,000														
26 Houston, Texas	292,352	28,803,750	10,992,500	3,651,000	43,447,250	4,853,203	61	25	14	38,594,047	35,642,462	121.92	N	26
27 Toledo, Ohio	290,718	27,134,500	13,741,000	916,000	41,791,500	2,116,715	45	55	..	39,674,785	38,758,785	133.32	308,945	27
28 Columbus, Ohio[18]	290,564	20,265,240	8,912,530	8,196,500	37,374,270	7,436,051	41	37	22	29,938,219	24,920,771	85.77	5,433,137	28
29 Denver, Colo.[19]	287,861	4,018,000	8,715,000	34,215,200	46,948,200	654,366	47	..	53	46,293,834	26,040,673	90.46	7,572,400	29
30 Oakland, Calif.[20]	284,063	10,066,931	10,918,033	39,520,000	60,504,964	N	..	..	..	60,504,964	20,984,964	73.87	N	30
31 St. Paul, Minn.	271,606	10,971,000	9,738,000	100,000	36,558,000	6,418,281	43	39	18	30,139,719	24,563,063	90.44	7,400,000	31
32 Atlanta, Ga.	270,366	19,387,000	10,424,000	6,747,000	13,629,600	1,546,387	53	19	28	12,083,213	9,862,528	36.48	338,900	32
33 Dallas, Texas	260,475	5,615,000	5,367,600	2,647,000	36,856,250	2,065,338	43	14	43	34,790,912	23,351,282	89.65	N	33
34 Birmingham, Ala.	259,678	17,244,000	7,274,250	12,338,000	20,809,000	1,742,714	100	..	..	19,066,286	18,966,286	73.04	3,040,000	34
35 Akron, Ohio	255,040	22,864,014	8,273,267	10,388,920	41,526,201	1,879,014	8	20	72	39,647,187	30,610,396	120.02	5,610,149	35
36 Memphis, Tenn.	253,143	15,794,000	6,220,000	5,827,000	27,841,000	1,968,328	44	35	21	25,872,672	20,457,564	80.81	316,000	36
37 Providence, R. I.	252,981	25,006,000	14,478,000	19,500,000	58,984,000	15,687,253	46	15	39	43,296,747	29,831,651	117.92	....	37
38 San Antonio, Texas	231,542	15,923,500	7,848,000	6,422,000	30,193,500	1,170,457	55	35	10	29,023,043	22,715,245	98.10	322,500	38
39 Omaha, Neb.[21]	214,006	12,198,097	8,723,750	7,981,000	28,902,847	5,740,383	17	13	70	23,162,464	19,182,862	89.64	4,827,000	39
40 Syracuse, N. Y.	209,326	22,091,470	8,305,493	6,062,375	36,459,338	174,600	100	..	..	36,284,738	30,222,363	144.38	2,624,000	40

			Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total	
		Census 1930	General Improvements	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-supporting	Per Capita Excluding S. S.	Gross Spec. Assessment	
41	Dayton, Ohio[22]	200,982	9,808,590	7,890,734	4,869,000	22,568,324	1,613,878	44	..	56	20,954,446	16,981,717	84.49	754,776	41
42	Worcester, Mass.	195,311	9,258,000	579,000	3,237,400	13,074,400	485,131	93	..	7	12,589,269	9,383,579	48.04	....	42
43	Oklahoma City, Okla.	185,389	10,424,600	6,334,790	5,842,200	22,601,590	7,572,040	39	20	41	15,029,550	12,301,650	66.36	5,230,015	43
44	Richmond, Va.[23]	182,929	24,460,642	6,184,438	7,155,550	37,800,630	11,806,978	68	14	18	25,993,652	21,010,557	114,86	N	44
45	Youngstown, Ohio[24]	170,002	6,206,998	2,714,100	1,005,000	9,926,098	57,000*	100	..	..	9,869,098	8,864,098	52.14	837,881	45
46	Grand Rapids, Mich.	168,592	7,988,600	3,855,662	2,855,000	14,699,262	2,062,905	53	N	47	12,636,357	10,751,741	63.77	2,410,600	46
47	Hartford, Conn.	164,072	13,167,000	7,147,000	3,420,000	23,734,000	3,572,763	54	34	12	20,161,237	17,176,541	104.69	N	47
48	Fort Worth, Texas	163,447	15,616,000	4,420,000	5,689,000	25,725,000	2,440,262	31	36	33	23,284,738	18,404,440	112.60	N	48
49	New Haven, Conn.	162,655	15,812,000	355,000	N	16,167,000	933,236	84	16	.	15,233,764	15,233,764	93.66	N	49
50	Flint, Mich.	156,492	8,310,500	7,912,000	2,275,500	18,498,000	2,387,488	30	37	33	16,110,512	14,617,202	93.41	2,319,000	50
51	Nashville, Tenn.[25]	153,866	12,107,000	1,933,000	3,742,000	17,782,000	2,044,402	..	..	..	15,737,598	11,995,598	77.96	371,000	51
52	Springfield, Mass.	149,900	8,857,000	2,057,000	7,247,000	18,161,000	N	..	..	..	18,161,000	10,914,000	72.81	....	52
53	San Diego, Calif.	147,995	3,692,557	4,816,375	12,742,584	21,251,516	N	..	..	..	21,251,516	21,251,516	143.60	....	53
54	Bridgeport, Conn.	146,716	12,206,000	3,825,450	N	16,031,450	N	..	..	..	16,031,450	16,031,450	109.27	....	54
55	Scranton, Pa.	143,433	2,362,000	6,170,000	N	8,532,000	551,498	12	88	N	7,980,502	7,980,502	55.64	851,219	55
56	Des Moines, Ia.	142,559	5,620,347	7,565,000	5,228,000	18,413,347	706,342	N	N	100	17,707,005	13,185,347	92.49	....	56
57	Long Beach, Calif.[26]	142,032	10,453,624	7,083,630	8,835,200	26,372,454	N	..	..	..	26,372,454	20,076,454	141.35	1,965,731	57
58	Tulsa, Okla.	141,258	10,970,785	5,159,907	5,211,000	21,341,692	2,433,329	75	25	N	18,908,363	13,697,363	96.97	....	58
59	Salt Lake City, Utah	140,267	3,837,500	4,043,000	4,743,000	12,623,500	164,421	46	54	N	12,459,079	7,716,079	55.01	522,000	59
60	Paterson, N. J.	138,513	10,317,000*	7,000,514*	13,538,000	30,855,514	2,566,037*	60	40	N	28,289,477	14,751,477*	106.50	....	60
61	Yonkers, N. Y.	134,646	19,335,050	9,538,750	4,451,750	33,325,550	N	..	..	..	33,325,550	28,873,800	214.44	2,677,600	61
62	Norfolk, Va.[27]	129,710	20,352,352	6,034,076	14,504,772	40,891,200	10,026,356	47	13	40	30,864,844	20,346,647	156.86	N	62
63	Jacksonville, Fla.[28]	129,549	5,688,500	4,098,000	4,757,500	14,544,000	754,965	65	35	..	13,789,035	9,031,535	69.72	916,000	63
64	Albany, N. Y.	127,412	12,170,770	5,351,650	12,732,500	30,254,920	1,897,831	86	..	14	28,357,089	15,885,613	124.68	1,890,800	64
65	Trenton, N. J.	123,356	9,973,018	7,318,550	1,002,000	18,293,568	2,312,213	45	32	23	15,981,355	15,520,035	125.81	210,000	65
66	Kansas City, Kan.[29]	121,857	3,881,860	1,571,000	5,936,000	11,388,860	2,860,780	7	10	83	8,528,080	4,973,613	40.82	457,852	66
67	Chattanooga, Tenn.	119,798	11,144,500	2,303,000	N	13,447,500	390,993	..	..	..	13,056,507	13,056,507	108.99	1,243,156	67
68	Camden, N. J.	118,700	16,145,693	4,015,000	1,480,925	21,641,618	2,316,492	71	22	7	19,325,126	18,001,885	151.66	860,000	68
69	Erie, Pa.	115,967	6,159,000	5,398,000	1,410,000	12,967,000	312,155	81	..	19	12,654,845	11,304,845	97.48	1,034,210	69
70	Spokane, Wash.	115,514	2,678,000	1,045,000	360,000	4,083,000	195,583	45	33	22	3,887,417	3,571,222	30.92	1,426,574	70
71	Fall River, Mass.	115,274	5,700,500	2,013,500	204,000	7,918,000	711,000	100	..	..	7,207,000	7,003,000	60.75	N	71
72	Fort Wayne, Ind.	114,946	910,000	2,782,000	2,305,000	5,997,000					5,997,000	3,206,000	27.89	....	72
73	Elizabeth, N. J.	114,589	7,068,893	5,574,350	4,779,000	17,422,243	667,848	..	..	..	16,754,395	11,975,395	104.51	485,884	73
74	Cambridge, Mass.	113,643	Not reported												74
75	New Bedford, Mass.	112,597	5,683,911	2,369,000	1,433,000	9,485,911	839,403	100	N	N	8,646,508	8,646,508	76.79	N	75
76	Reading, Pa.	111,171	4.096,000	7,591,500	2,598,000	14,285,500	388,547	42	56	2	13,896,953	11,305,435	101.69	497,500	76
77	Wichita, Kansas	111,110	4,533,494	3,206,399	N	7,739,893	15,257	N	100	N	7,724,636	7,724,636	69.52	2,272,142	77
78	Miami, Fla.[30]	110,637	27,526,000	7,288,000	780,000	35,594,000	25,766	12	40	48	35,568,234	35,263,234	318.73	579,000	78
79	Tacoma, Wash.[31]	106,817	2,620,000	1,883,000	11,043,495	15,546,495	605,525	62	27	11	14,940,970	3,961,297	37.08	1,731,354	79
80	Wilmington, Del.	106,597	8,324,350	1,021,000	4,515,000	13,860,350	1,290,581	100	..	..	12,569,769	8,054,769	75.56	....	80
81	Knoxville, Tenn.	105,802	18,805,571	2,255,000	4,563,822	25,624,393	1,714,857	87	..	13	23,909,536	19,575,096	185.03	75,548	81
82	Peoria, Ill.	104,969	1,177,000	201,000	N	1,378,000	N	..	..	..	1,378,000	1,378,000	13.13	1,800,000	82
83	Canton, Ohio	104,906	4,564,345	5,434,000	996,000	10,994,345	1,746,481	57	29	14	9,247,864	8,498,194	81.01	1,651,158	83
84	South Bend, Ind.	104,193	Not reported												84
85	Somerville, Mass.	103,908	1,436,000	2,280,000	N	3,716,000	N	..	..	..	3,716,000	3,716,000	35.76	250,000	85

		Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total	
	Census 1930	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-supporting	Per Capita Excluding S. S.	Gross Spec. Assessment	
86 El Paso, Texas	102,421	4,548,000	2,818,000	1,862,000	9,228,000	1,461,767	48	39	13	7,766,233	6,097,867	59.54	498,000	86
87 Lynn, Mass.	102,320	3,759,800	2,619,000	521,500	6,900,300	217,030	100	..	..	6,683,270	6,161,770	60.22	....	87
88 Evansville, Ind.	102,249	1,166,200	2,043,500	1,270,000	4,479,700	121,871	81	..	19	4,357,829	3,606,829	35.27	330,852	88
89 Utica, N. Y.	101,740	11,257,540	1,320,042*	N	12,577,582	301,040	100	..	..	12,276,542	12,276,542	120.65	309,746	89
90 Duluth, Minn.[32]	101,463	5,289,667	3,550,000	2,431,000	11,270,667	N	..	..	..	11,270,667	8,839,667	87.12	111,000	90
91 Tampa, Fla.	101,161	10,990,000	3,435,200	2,643,000	17,068,200	1,292,360	100	.		15,775,840	13,132,860	129.82	154,525	91
92 Gary, Ind.	100,426	2,400,297	3,488,000	N	5,888,297	35,347	52	48	N	5,852,950	5,852,950	58.28	4,535,152	92
93 Lowell, Mass.	100,234	3,144,743	1,536,000*	395,000	5,075,743					5,075,743	4,680,743	46.69	....	93
Group IV														
Pop. 50,000 to 100,000														
94 Waterbury, Conn.	99,902	7,245,000	1,369,000	7,040,000	15,654,000	177,363	100	N	N	15,476,637	8,436,637	84.45	N	94
95 Schenectady, N. Y.	95,692	8,510,484	2,577,000*	541,000	11,628,484	127,636	100	..	..	11,500,848	10,959,848	114.42	....	95
96 Sacramento, Calif.[33]	93,750	3,539,405	5,695,000	3,704,310	12,938,715	N	..	..	..	12,938,715	9,234,405	98.50	1,391,402	96
97 Allentown, Pa.	92,563	5,204,700	4,615,000	N	9,819,700	892,319	20	80	N	8,927,381	8,927,381	96.45	374,000	97
98 Bayonne, N. J.	88,979	4,539,968	3,531,500	3,460,000	11,531,468	131,410	100			11,400,058	8,199,121	92.14	....	98
99 Wilkes-Barre, Pa.	86,626	2,981,500	624,000	N	3,605,500	128,028	60	40	N	3,477,472	3,477,472	40.14	100,500	99
100 Rockford, Ill.	85,864	253,500	1,105,000	150,000	1,508,500	N	..	..	..	1,508,500	1,358,500	15.82	3,640,000	100
101 Lawrence, Mass.	85,068	2,396,683	1,051,500	188,000	3,636,183	56,400	.	..	100	3,579,783	3,448,183	40.53	N	101
102 Savannah, Ga.	85,024	3,522,500	272,000	170,000	3,964,500	50,875	100	..	..	3,913,625	3,743,625	44.03	....	102
103 Charlotte, N. C.	82,675	6,969,056	1,620,000	1,832,444	10,421,500	511,738	100	..	..	9,909,762	8,077,318	97.70	2,002,000	103
104 Berkeley, Calif.	82,109	755,883	1,867,750	7,750,000	10,373,633	66,392	100	..	..	10,307,241	2,557,241	31.14	196,930	104
105 Altoona, Pa.	82,054	Not reported												105
106 Little Rock, Ark.	81,679	2,072,000	2,184,000		4,256,000	68,750	100	..	..	4,187,250	4,187,250	51.26	....	106
107 St. Joseph, Mo.	80,935	3,881,000	2,423,000	N	6,304,000	52,036	19	81	N	6,251,964	6,251,964	77.25	189,509	107
108 Saginaw, Mich.	80,715	666,000	1,154,000	2,905,000	4,725,000	578,396	61	20	19	4,146,604	1,352,725	16.76	1,066,000	108
109 Harrisburg, Pa.	80,339	3,048,500	2,630,346	1,085,400	6,764,246	104,628	..	..	100	6,659,618	5,678,846	70.69	340,300	109
110 Sioux City, Iowa	79,183	2,577,300	2,032,000	25,000	4,634,300	706,407	72	28	..	3,927,893	3,902,893	49.29	N	110
111 Lansing, Mich.[34]	78,397	2,158,000	N	2,677,000	4,835,000	N	..	..	..	4,835,000	2,158,000	27.52	305,000	111
112 Pawtucket, R. I.	77,149	9,918,000	3,979,000	3,051,000	16,948,000	2,959,751	72	..	28	13,988,249	11,758,026	152.41	....	112
113 Manchester, N. H.	76,834	2,524,993	1,047,507	213,000	3,785,500	N	.	..	..	3,785,500	3,572,500	46.50	N	113
114 Binghamton, N. Y.	76,662	3,341,044	3,383,925	55,000	6,779,969	104,510	100	..	..	6,675,459	6,620,459	86.36	N	114
115 Shreveport, La.	76,655	5,794,500	1,292,000	3,249,500	10,336,000	120,768	32	23	45	10,215,232	7,020,474	91.58	....	115
116 Pasadena, Calif.[34]	76,086	3,984,961	3,336,930	6,510,439	13,832,330	263,536	45	..	55	13,568,794	7,202,508	94.66	3,246,944	116
117 Lincoln, Neb.	75,933	1,126,003	3,868,500	1,817,000	6,811,503	409,508	42	..	58	6,401,995	4,822,952	63.52	1,027,979	117
118 Huntington, W. Va.	75,572	1,807,500	963,000	N	2,770,500	376,500	100	..	.	2,394,000	2,394,000	31.68	N	118
119 Niagara Falls, N. Y.	75,460	6,077,150	5,684,129	1,785,330	13,546,609	367,169	..	.	100	13,179,440	11,761,279	155.86	....	119
120 Winston Salem, N. C.	75,274	10,753,400	3,367,000	2,755,000	16,875,400	428,020	64	11	25	16,447,380	13,798,695	183.31	1,351,000	120
121 East St. Louis, Ill.	74,347	Not reported												121
122 Troy, N. Y.	72,763	5,869,648	1,324,194	872,175	8,066,017	N	..	..	..	8,066,017	7,193,842	98.87	N	122
123 Quincy, Mass.	71,983	Not reported												123
124 Springfield, Ill.[34]	71,864	162,000	216,000	3,638,000	4,016,000	129,465	41	..	59	3,886,535	324,834	4.52	N	124
125 Portland, Me.	70,810	Not reported												125
126 Lakewood, Ohio	70,509	Not reported												126
127 Roanoke, Va.	69,206	5,173,000	2,650,000	N	7,823,000	1,670,734	75	25	..	6,152,266	6,152,266	88.90	N	127
128 Springfield, Ohio	68,743	4,525,295	1,605,000	390,000	6,520,295	264,856	97	3	..	6,255,439	5,865,439	85.32	540,000	128
129 Mobile, Ala.	68,202	2,675,000	990,000	1,905,000	5,570,000	1,291,553	100	..	..	4,278,447	2,373,447	34.80	4,206,000	129

			Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total	
		Census 1930	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-supporting	Per Capita Excluding S. S.	Gross Spec. Assessment	
130	New Britain, Conn.[35]	68,128	1,928,000	3,081,000	1,722,000	6,731,000	738,472	39	14	47	5,992,528	4,615,685	67.75	N	130
131	East Orange, N. J.	68,020	9,550,500	3,123,445	736,000	13,409,945	800,088	18	52	30	12,609,857	12,109,670	178,03	....	131
132	Racine, Wis.	67,542	2,325,000	1,407,000	1,013,000	4,745,000	196,000	100	..	..	4,549,000	3,536,000	52.35	514,188	132
133	Johnstown, Pa.	66,993	4,338,000	4,285,000	N	8,623,000	701,127	82	18	N	7,921,873	7,921,873	118.25	N	133
134	Cicero, Ill.	66,602	Not reported												134
135	Atlantic City, N. J.	66,198	23,185,531	3,807,000	2,500,000	29,492,531	2,618,693	58	20	22	26,873,838	24,965,514	377.13	N	135
136	Montgomery, Ala.	66,079	5,396,765	2,333,000	1,770,000	9,499,765	708,929	100	..	..	8,790,836	7,020,836	106.24	....	136
137	Newton, Mass.	65,276	4,751,000	2,280,000	508,000	7,539,000	933,259	100	..	..	6,605,741	6,097,741	93.41	N	137
138	Covington, Ky.	65,252	1,058,700	750,000	2,022,000	3,830,700	N	..	..	..	3,830,700	1,808,700	27.72	....	138
139	Pontiac, Mich.	64,928	3,870,950	3,585,109	1,553,500	9,009,559	562,075	N	91	9	8,447,484	6,944,984	106.96	1,817,600	139
140	Hammond, Ind.	64,560	939,670	1,324,000	670,000	2,933,670	93,000	100	N	N	2,840,670	2,170,670	33.62	5,969,500	140
141	Topeka, Kan.	64,120	1,297,260	2,091,703	663,300	4,052,263	303,415	N	7	93	3,748,848	3,368,111	52.53	837,490	141
142	Oak Park, Ill.	63,982	989,500	2,771,000		3,760,500	359,643	..	100	..	3,400,857	3,400,857	53.15	1,249,896	142
143	Brockton, Mass.	63,797	1,181,500	213,350	1,122,900	2,517,750	182,970	..	..	100	2,334,780	1,394,850	21.86	....	143
144	Evanston, Ill.	63,338	584,000	3,863,000	80,000	4,527,000	7,500	..	..	100	4,519,500	4,447,000	70.21	2,697,594	144
145	Passaic, N. J.	62,959	8,461,500	2,431,250*	6,396,000	17,288,750	1,089,966	75	25	..	16,198,784	9,802,784	155.70	....	145
146	Terre Haute, Ind.	62,810	Not reported												146
147	Glendale, Calif.[34]	62,736	1,442,250	4,045,760	464,020	5,952,030	138,012	44	..	56	5,814,018	5,426,630	86.50	1,242,274	147
148	Charleston, S. C.	62,265	Not reported												148
149	Wheeling, W. Va.	61,659	1,026,400	422,000	1,543,000	2,991,400	17,554	100	N	N	2,973,846	2,973,846	48.23	....	149
150	Mt. Vernon, N. Y.	61,499	7,833,000	4,929,050	2,633,000	15,395,050	1,657,689	32	..	68	13,737,361	12,148,493	197.54	127,000	150
151	Davenport, Ia.	60,751	Not reported												151
152	Charleston, W. Va.	60,408	Not reported												152
153	Augusta, Ga.	60,342	Not reported												153
154	Lancaster, Pa.	59,949	4,795,000	3,110,000	N	7,905,000	754,207	10	90	..	7,150,793	7,150,793	119.28	....	154
155	Medford, Mass.	59,714	1,863,500	1,384,200	402,000	3,649,700	30,000	100	..	..	3,619,700	3,217,700	53.89	....	155
156	Hoboken, N. J.	59,261	7,699,545	3,377,575*	245,000	11,322,120	1,646,927	94	..	6	9,675,193	9,523,820	160.71	....	156
157	Chester, Pa.	59,164	3,594,000	2,175,000	N	5,769,000	1,330,135	38	62	N	4,438,865	4,438,865	75.03	416,500	157
158	Union City, N. J.	58,659	6,540,022	1,984,000*	N	8,524,022	638,097	75	25	..	7,885,925	7,885,925	134.64	....	158
159	Malden, Mass.	58,036	1,891,227	757,000	39,000	2,687,227	246,301	100	..	..	2,440,926	2,401,926	41.39	N	159
160	Madison, Wis.	57,899	5,269,500	2,677,000	150,000	8,096,500	67,717	67	33	..	8,028,783	7,878,783	136.08	744,300	160
161	Bethlehem, Pa.	57,892	2,215,400	3,364,500	1,175,000	6,754,900	1,641,867	32	60	8	5,113,033	4,065,556	70.23	78,000	161
162	Beaumont, Texas[36]	57,732	4,798,500	2,280,138	2,560,500	9,639,138	797,538	31	22	47	8,841,600	8,189,600	141.86	N	162
163	San Jose, Calif.	57,651	Not reported												163
164	Springfield, Mo.	57,527	1,528,000	1,743,500	N	3,271,500	263,658	43	57	N	3,007,842	3,007,842	52.29	....	164
165	Decatur, Ill.	57,510	Not reported												165
166	Irvington, N. J.	56,733	3,813,675	4,167,150*	N	7,980,825	345,267	60	40	..	7,635,558	7,635,558	134.59	527,000	166
167	Holyoke, Mass.[37]	56,537	1,301,500	584,000	1,391,000—	3,276,500	N	..	..	..	3,276,500	1,885,000	33.34	N	167
168	Hamtramck, Mich.	56,268	3,797,533	3,515,500		7,313,033	997,024	44	56	..	6,316,009	6,316,009	112.25	83,390	168
169	Cedar Rapids, Ia.	56,097	2,247,000	2,000,000	760,000	5,007,000	379,924	..	100	..	4,627,076	3,867,076	68.94	....	169
170	York, Pa.	55,254	1,106,500	1,863,000	N	2,969,500	249,020	86	14	N	2,720,480	2,720,480	49.24	41,200	170
171	Jackson, Mich.	55,187	1,663,729	2,128,000	1,079,375	4,871,104	25,000	..	100	..	4,846,104	3,766,729	68.25	390,000	171
172	Kalamazoo, Mich.	54,786	177,000	1,998,000	N	2,175,000	N	..	..	..	2,175,000	2,175,000	39.70	272,500	172
173	East Chicago, Ind.	54,784	1,102,000	1,460,000	2,328,000	4,890,000	275,795	4	..	96	4,614,205	2,550,345	46.55	872,931	173
174	McKeesport, Pa.	54,632	1,500,000	1,517,000	231,000	3,248,000	123,175	5	95	..	3,124,825	2,893,825	52.97	512,870	174

			Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total	
		Census 1930	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improve-ment (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-sup-porting	Per Capita Exclud-ing S. S.	Spec. Gross Assess-ment	
175	New Rochelle, N. Y.	54,000	8,886,700	6,247,176	N	15,133,876	266,186	..	..	..	14,867,690	14,867,690	275.33	88,003	175
176	Macon, Ga.	53,829	Not reported												176
177	Greensboro, N. C.	53,569	Not reported												177
178	Austin, Texas	53,120	3,360,000	1,089,000	1,353,000	5,802,000	25,131	..	..	..	5,776,869	4,423,869	83.28	N	178
179	Highland Park, Mich.	52,959	2,729,000	3,336,000	1,003,626	7,068,626	3,066,614	60	19	21	4,002,012	3,638,126	68.70	40,700	179
180	Galveston, Texas	52,938	6,304,500	1,756,000	629,500	8,690,000	853,957	78	6	16	7,836,043	6,156,303	116.29	....	180
181	Waco, Texas	52,848	2,942,500	1,555,900	2,203,000	6,701,400	1,152,190	58	26	16	5,549,210	3,525,178	66.70	N	181
182	Fresno, Calif.	52,513	838,500	3,405,000	2,520,000	6,763,500	N	..	..	..	6,763,500	4,243,500	80.81	....	182
183	Hamilton, Ohio[38]	52,176	1,120,933	1,521,000	1,419,200	4,061,133	64,269	..	..	100	3,996,864	2,641,933	50.64	385,353	183
184	Durham, N. C.	52,037	Not reported												184
185	Columbia, S. C.	51,581	Not reported												185
186	Cleveland Hts., Ohio	50,945	1,413,800	6,230,310	N	7,644,110	920,127	63	37	N	6,723,983	6,723,983	131.99	1,357,032	186
187	Port Arthur, Texas	50,902	4,362,500	2,056,000	833,500	7,252,000	637,914	35	62	3	6,614,086	5,798,861	113.92	14,000	187
188	Dearborn, Mich.	50,358	10,535,000	6,549,000	2,338,000	19,422,000	3,973,864	76	9	15	15,448,136	13,708,897	272.23	951,600	188
189	Kenosha, Wis.	50,262	331,000	2,574,000	119,000	3,024,000	N	..	..	..	3,024,000	2,905,000	57.80	....	189
190	Asheville, N. C.	50,193	15,123,581	2,908,000		18,031,581	N	..	..	..	18,031,581	18,031,581	359.24	....	190
191	Pueblo, Colo.	50,096	747,000	1,434,000	1,210,000	3,391,000	102,616	26	5	69	3,288,384	2,149,306	42.90	1,055,800	191
	Group V														
	Population 30,000 to 50,000														
192	Pittsfield, Mass.	49,677	549,000	996,000	254,000	1,799,000	N	.	..	..	1,799,000	1,545,000	31.10	....	192
193	Woonsocket, R. I.	49,376	5,949,000	1,118,000	935,000	8,002,000	1,201,424	88	8	4	6,800,576	5,916,700	119.83	N	193
194	Haverhill, Mass.	48,710	1,308,567	149,000	179,000	1,636,567	22,000	100	..	..	1,614,567	1,435,567	29.47	N	194
195	New Castle, Pa.	48,674	877,000	2,165,000	N	3,042,000	167,531	88	12	..	2,874,469	2,874,469	59.06	....	195
196	Everett, Mass.	48,424	935,823	1,111,000	86,000	2,132,823	95,965	100	..	..	2,036,858	2,036,858	42.06	....	196
197	Jackson, Miss.	48,282	Not reported												197
198	Phoenix, Ariz.	48,118	3,974,500	5,861,000*	5,373,000	15,208,500	131,180	32	..	68	15,077,320	9,793,969	203.54	1,472,559	198
199	Stockton, Calif.	47,963	5,817,875	780,000	N	6,597,875	N	..	..	..	6,597,875	6,597,875	137.56	294,233	199
200	Brookline, Mass.	47,490	783,000	962,000	329,000	2,074,000	N	..	..	..	2,074,000	1,745,000	36.74	....	200
201	Elmira, N. Y.	47,397	2,078,900	775,000	670,000	3,523,900	N	..	..	..	3,523,900	2,853,900	60.21	N	201
202	Bay City, Mich.	47,355	301,000	900,000	1,568,000	2,769,000	507,973	34	54	12	2,261,027	755,529	15.95	79,500	202
203	Berwyn, Ill.	47,027	Not reported												203
204	Clifton, N. J.	46,875	3,384,429	2,174,755	5,011,000	10,570,184	165,111	66	34	..	10,405,073	5,394,073	115.07	845,571	204
205	Aurora, Ill.	46,589	Not reported												205
206	Muncie, Ind.	46,548	Not reported												206
207	Stamford, Conn.	46,346	4,724,000	2,790,500	N	7,514,500	776,917	100	..	..	6,737,583	6,737,583	145.38	N	207
208	Waterloo, Ia.	46,191	Not reported												208
209	Chelsea, Mass.	45,816	1,487,800	560,500	50,000	2,098,300	420,443	100	..	..	1,677,857	1,627,857	35.53	N	209
210	Lexington, Ky.	45,736	2,235,500	960,000	N	3,195,500	346,598	..	..	..	2,848,902	2,848,902	62.29	107,274	210
211	Williamsport, Pa.	45,729	752,700	1,329,900	N	2,082,600	306,136	35	65	..	1,776,464	1,776,464	38.85	185,600	211
212	Portsmouth, Va.	45,704	5,370,100	747,000	2,975,000	9,092,100	1,966,391	32	..	68	7,125,709	5,486,855	120.05	N	212
213	Jamestown, N. Y.[34]	45,155	1,068,548	1,869,000	583,000	3,520,548	85,278	..	..	100	3,435,270	2,937,548	65.05	545,000	213
214	Lorain, Ohio	44,512	1,093,976	977,500	280,000	2,351,476	106,053	72	19	9	2,245,423	1,974,717	44.36	775,694	214
215	Chicopee, Mass.	43,930	966,500	203,900	436,000	1,606,400	N	..	..	..	1,606,400	1,170,400	26.64	N	215
216	Wichita Falls, Texas	43,690	2,696,500	1,855,000	693,000	5,244,500	150,875	93	7	..	5,093,625	4,400,625	100.72	N	216
217	Battle Creek, Mich.	43,575	1,348,500	1,116,500		2,465,000	N	..	..	..	2,465,000	2,465,000	56.57	....	217

		Census 1930	Gross Bonded Debt: General Improvement	Gross Bonded Debt: Public Schools	Gross Bonded Debt: Public Utilities	Gross Bonded Debt: Total	Sinking Fund: Total	Sinking Fund: Gen'l Improvement (per cent)	Sinking Fund: Public School (per cent)	Sinking Fund: Public Utility (per cent)	Net Bonded Debt: Total	Net Bonded Debt: Excluding Self-supporting	Net Bonded Debt: Per Capita Excluding S. S.	Total Gross Spec. Assessment	
218	Perth Amboy, N. J.	43,516	Not reported												218
219	Salem, Mass.	43,353	762,500	434,500	482,500	1,679,500	N	..	..	..	1,679,500	1,197,000	27.61	....	219
220	Amarillo, Texas	43,132	3,404,263	1,972,500	2,185,739	7,562,502	467,005	54	46	..	7,095,497	4,909,758	113.83	....	220
221	Columbus, Ga.	43,131	Not reported												221
222	Joliet, Ill.	42,993	556,000	2,996,000	150,000	3,702,00	N	..	..	..	3,702,000	3,702,000	86.11	1,019,128	222
223	Cranston, R. I.	42,911	1,408,500	2,711,000	N	4,119,500	344,129	100	..	..	3,775,371	3,775,371	87.98	N	223
224	Portsmouth, Ohio	42,560	Not reported												224
225	Lima, Ohio	42,287	3,534,991	677,000	647,000	4,858,991	3,000	100	N	N	4,855,991	4,208,991	99.53	238,015	225
226	Council Bluffs, Ia.	42,048	1,032,000	659,000	100,000	1,791,000	133,657	36	N	64	1,657,343	1,642,320	39.06	11,000	226
227	Montclair, N. J.	42,017	Not reported												227
228	Dubuque, Ia.[39]	41,679	1,377,063	967,000	550,000	2,894,063	625,414	40	28	32	2,268,649	2,194,354	52.65	419,900	228
229	Muskegon, Mich.	41,390	2,266,000	2,189,162	313,500	4,768,662	340,514	71	N	29	4,428,148	4,214,648	101.83	557,090	229
230	Warren, Ohio	41,062	1,486,127	1,741,300	548,400	3,775,827	173,884	..	28	72	3,601,943	3,178,543	77.41	534,400	230
231	Kearney, N. J.	40,716	3,155,128	2,131,700	7,368,000	12,654,828	705,144	51	49	..	11,949,684	4,581,684	112.53	1,007,000	231
232	Fitchburg, Mass.	40,692	1,075,000	253,000	453,900	1,781,900	N	..	..	..	1,781,900	1,328,000	32.64	N	232
233	Lynchburg, Va.	40,661	Not reported												233
234	St. Petersburg, Fla.	40,425	Not reported												234
235	Poughkeepsie, N. Y.	40,288	2,909,130	1,458,000	459,000	4,826,130	N	..	..	..	4,826,130	4,367,130	108.40	1,048,469	235
236	Ogden, Utah	40,272	Not reported												236
237	Oshkosh, Wis.	40,108	743,000	597,000	106,000	1,446,000	N	..	..	..	1,446,000	1,340,000	33 41	1,064	237
238	Anderson, Ind.	39,804	436,201	725,500	100,000	1,261,701	N	..	..	..	1,261,701	1,161,701	29.19	617,700	238
239	East Cleveland, Ohio	39,667	1,256,450	2,541,000	N	3,797,450	732,832	48	52	N	3,064,618	3,064,618	77.26	170,080	239
240	LaCrosse, Wis.	39,614	347,000	432,000	55,000	834,000	5,500	100	..	..	828,500	828,500	20.91	148,613	240
241	Butte, Mont.	39,532	Not reported												241
242	Sheboygan, Wis.	39,251	113,000	359,000	200,000	672,000	N	..	..	..	672,000	472,000	12.03	99,555	242
243	Waltham, Mass.	39,247	Not reported												243
244	Quincy, Ill.	39,241	N	1,026,000	105,000	1,131,000	39,816	N	N	100	1,091,184	986,184	25.13	647,835	244
245	Meriden, Conn.	38,481	1,019,000	1,160,000	236,000	2,415,000	104,861	100	..	..	2,310,139	2,074,139	53.90	N	245
246	Bloomfield, N. J.	38,077	2,930,000	2,586,500	1,279,500	6,796,000	71,398	58	N	42	6,724,602	5,475,102	143.68	423,423	246
247	Rock Island, Ill.	37,953	Not reported												247
248	Cumberland, Md.	37,747	1,750,000	2,605,000	3,044,900	7,399,900	736,048	31	..	69	6,663,852	4,130,379	109.42	N	248
249	San Bernardino, Calif.	37,481	731,000	1,428,000	258,225	2,417,225	26,481	..	100	..	2,390,744	2,132,519	56.90	....	249
250	Green Bay, Wis.	37,415	490,500	998,500	853,000	2,342,000	15,000	..	..	100	2,327,000	1,489,000	39.80	....	250
251	Raleigh, N. C.	37,379	Not reported												251
252	Taunton, Mass.	37,355	Not reported												252
253	Santa Monica, Calif.[40]	37,146	2,080,500	1,709,000	1,256,500	5,046,000	130,471	34	40	26	4,915,529	3,692,333	99.40	....	253
254	West New York, N. J.	37,107	Not reported												254
255	Hazleton, Pa.	36,765	1,934,000	1,091,000	N	3,025,000	36,072	2	98	..	2,989,928	2,989,928	81.30	N	255
256	Danville, Ill.	36,765	122,800	450,000	N	572,800	N	..	..	..	572,800	572,800	15.58	402,384	256
257	High Point, N. C.[34]	36,745	3,299,488	1,911,000	2,342,000	7,552,488	371,356	..	..	..	7,181,132	4,839,132	131.69	4,213,000	257
258	Auburn, N. Y.	36,652	1,474,314	603,000	313,000	2,390,314	9,186	..	..	100	2,381,128	2,077,314	56.68	138,085	258
259	Zanesville, Ohio	36,440	463,475	645,652	268,500	1,377,627	260,200	41	59	..	1,117,427	848,927	23.30	161,018	259
260	Superior, Wis.	36,113	710,456	1,372,300	N	2,082,756	10,300	..	100	..	2,072,456	2,072,456	57.39	N	260
261	Arlington, Mass.	36,094	423,500	880,000	180,000	1,483,500	141,858	100	..	.	1,341,642	1,161,642	32.18	N	261
262	Norwalk, Conn.[34]	36,019	2,651,500	971,000	1,209,500	4,832,000	512,115	70	..	30	4,319,885	3,265,199	90.65	N	262

			Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total	
		Census 1930	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-supporting	Per Capita Excluding S. S.	Gross Spec. Assessment	
263	Elgin, Ill.	35,929	816,264	228,000	110,000	1,154,264	8,261	..	..	100	1,146,003	1,044,264	29.06	1,075,000	263
264	Norristown, Pa.	35,853	1,135,000	1,368,500	N	2,503,500	542,384	21	79	N	1,961,116	1,961,116	54.70	N	264
265	White Plains, N. Y.	35,830	6,061,613	7,127,000	1,847,800	15,036,413	167,943	30	4	66	14,868,470	13,132,316	366.52	....	265
266	Revere, Mass.	35,680	801,000	705,500	194,000	1,700,500	N	..	..	..	1,700,500	1,506,500	42.22	....	266
267	Steubenville, Ohio	35,422	439,590	629,750	100,235	1,169,575	35,220	24	17	59	1,134,355	1,054,929	29.78	101,900	267
268	Orange, N. J.	35,399	Not reported												268
269	Alameda, Calif.	35,033	Not reported												269
270	Lewiston, Me.	34,948	406,500	470,000	607,500	1,484,000	231,000	100	..	..	1,253,000	902,000	25.81	....	270
271	Watertown, Mass.	34,913	497,000	976,000	9,000	1,482,000	N	..	..	..	1,482,000	1,473,000	42.19	N	271
272	Amsterdam, N. Y.	34,817	758,000	1,991,750	70,000	2,819,750	47,022	..	38	62	2,772,728	2,731,988	78.47	N	272
273	West Allis, Wis.	34,671	918,000	1,112,000	296,000	2,326,000	N	..	..	..	2,326,000	2,326,000	67.09	1,098,231	273
274	New Brunswick, N. J.	34,555	2,636,097	1,283,000	1,110,000	5,029,097	N	..	..	..	5,029,097	3,919,097	113.42	223,000	274
275	Easton, Pa.	34,468	2,799,200	1,700,000	N	4,499,200	550,012	100	..	..	3,949,188	3,949,188	114.58	N	275
276	Plainfield, N. J.	34,422	3,267,000	1,844,000	N	5,111,000	220,618	100	..	.	4,890,382	4,890,382	142.07	226,000	276
277	Newport News, Va.	34,417	2,364,000	996,500	3,174,000	6,534,500	823,072	100		.	5,711,423	2,537,428	73.73	....	277
278	Santa Barbara, Calif.	33,613	1,364,325	2,318,012	594,750	4,277,087	261,540	26	63	11	4,015,547	4,015,547	119.46	N	278
279	Paducah, Ky.	33,541	Not reported												279
280	Mansfield, Ohio	33,525	584,690	803,000	112,000	1,499,690	45,217	..	..	..	1,454,473	1,342,473	40.04	116,075	280
281	Joplin, Mo.	33,454	Not reported												281
282	Waukegan, Ill.	33,449	Not reported												282
283	Norwood, Ohio	33,411	775,133	1,070,500	150,000	1,995,633	197,933	100	..	..	1,797,700	1,647,700	49.32	42,432	283
284	Sioux Falls, S. Dak.[34]	33,362	720,000	1,482,500	290,000	2,492,500	1,262,716	9	80	11	1,229,784	1,079,295	32.35	N	284
285	Colorado Springs, Colo.[34]	33,237	527,000	802,000	2,270,000	3,599,000	692,929		..	100	2,906,071	1,329,000	39.99	176,300	285
286	Elkhart, Ind.	32,949	128,000	625,000	1,162,000	1,915,000	39,268	100	..	..	1,875,732	713,732	21.66	N	286
287	Kokomo, Ind.	32,843	Not reported												287
288	Laredo, Texas	32,618	766,000	541,000	N	1,307,000	122,793	70	30	..	1,184,207	1,184,207	36.31	N	288
289	Tucson, Ariz.	32,506	1,636,000	1,257,937	914,000	3,807,937	729,882	60	8	32	3,078,055	2,393,168	73.62	476,558	289
290	Richmond, Ind.	32,493	201,000	520,000	N	721,000	15,607	100	N	N	705,393	705,393	21.71	....	290
291	Rome, N. Y.	32,338	988,667	742,000	126,000	1,856,667	N	..	..	..	1,856,667	1,730,667	53.52	74,000	291
292	Wilmington, N. C.	32,270	2,042,447	997,000	964,265	4,003,712	276,584	9	82	9	3,727,128	2,789,462	86.44	540,550	292
293	Moline, Ill.	32,236	Not reported												293
294	Watertown, N. Y.	32,205	1,574,935	1,324,500	778,000	3,677,435	263,035	55	45	..	3,414,400	2,636,400	81.86	63,874	294
295	Muskogee, Okla.	32,026	1,821,093	1,198,400	594,000	3,613,493	1,918,729	52	28	20	1,694,764	1,694,764	52.92	630,000	295
296	Meridian, Miss.	31,954	1,559,257	525,611	442,000	2,526,868	3,252	87	13	..	2,523,616	2,081,616	65.14	416,684	296
297	Pensacola, Fla.	31,597	Not reported												297
298	Nashua, N. H.	31,463	1,094,000	392,500	N	1,486,500	257,388	..	..	..	1,229,112	1,229,112	39.07	N	298
299	Fort Smith, Ark.	31,429	Not reported												299
300	Port Huron, Mich.	31,361	1,226,959	502,000	165,000	1,893,959	51,469	100	..	..	1,842,490	1,677,490	53.49	191,659	300
301	Newburgh, N. Y.	31,275	1,033,621	1,092,391	662,731	2,788,743	26,050	..	100	..	2,762,693	2,099,962	67.15	123,626	301
302	Marion, Ohio	31,084	Not reported												302
303	Bloomington, Ill.	30,930	Not reported												303
304	Hagerstown, Md.	30,861	Not reported			3,716,300	14,398	..	100	..					304
305	Bellingham, Wash.	30,823	493,000	N	282,000						775,000	493,000	15.99	513,603	305
306	Baton Rouge, La.	30,729	2,696,300	1,020,000	N	775,000	N	..	..	..	3,701,902	3,701,902	120.47	22,000	306
307	Newark, Ohio	30,596	924,100	789,000	283,000	1,996,100	110,053	51	N	49	1,886,047	1,657,047	54.16	260,100	307

			Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total	
		Census 1930	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Im-provement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Self-supporting	Per Capita Excluding S. S.	Gross Spec. Assessment	
308	Everett, Wash.	30,567	1,449,500	356,000	1,654,000	3,459,500	596,920	43	5	52	2,862,580	1,520,568	49.75	327,341	308
309	Santa Ana, Calif.	30,322	506,520	1,512,000	153,445	2,171,965	81,987	17	71	12	2,089,978	1,946,172	64.18	1,156,993	309
310	Alton, Ill.	30,150	Not reported												310
	Canadian Cities														
1	Montreal, Que.	818,577	Not reported												1
2	Toronto, Ont.[41]	626,674	61,100,755	27,582,224	87,894,996	176,577,975	25,890,083	30*	23	47	150,687,892	75,003,506	119.69	14,269,587	2
3	Vancouver, B. C.	246,593	41,373,851	10,370,176	6,011,258	57,755,285	16,457,967	74	16	10	41,297,318	36,894,804	149.62	7,208,063	3
4	Winnipeg, Man.[42]	218,785	10,460,606	8,782,106	37,958,802	57,201,514	24,404,411	26	13	61	32,797,103	9,786,811	44.73	9,583,295	4
5	Hamilton, Ont.[43]	153,507	16,776,295	4,778,488	7,520,494	29,075,277	584,094	1	..	99	28,491,183	21,546,372	140.36	1,938,360	5
6	Quebec, Que.[44]	130,594	25,853,889	6,584,000	8,578,847	41,016,736	2,805,552	43	39	18	38,211,184	30,130,295	230.72	....	6
7	Ottawa, Ont.[45]	126,872	8,761,562	3,924,493	6,453,178	19,139,233	5,469,524	37	20	37	13,669,709	9,566,177	75.40	3,353,459	7
8	Calgary, Alta.[46]	83,761	9,620,057	2,683,367	11,048,598	23,352,022	10,549,221	45	..	55	12,802,801	7,510,074	89.66	3,098,802	8
9	Edmonton, Alta.[47]	79,197	21,556,508	3,987,076	6,586,006	32,129,590	9,356,120	73	7	20	22,773,470	18,054,953	227.98	2,800,204	9
10	London, Ont.[48]	71,148	4,014,379	2,994,365	4,243,622	11,252,366	1,808,861	..	..	..	9,443,505	7,483,855	105.19	1,457,369	10
11	Windsor, Ont.[49]	63,108	6,301,102	4,369,957	3,262,384	13,933,443	321,114	18	43	39	13,612,329	10,476,127	166.00	....	11
12	Verdun, Que.[50]	60,745	7,534,700	2,015,626	300,000	9,850,326	1,945,628	86	7	7	7,904,698	7,748,784	127.56	1,747,200	12
13	Halifax, N. S.	59,275	Not reported												13
14	Regina, Sask.[51]	53,209	6,035,994	2,512,613	6,690,085	15,238,692	6,320,906	44	8	48	8,917,786	5,254,013	99.07	2,490,389	14
15	St. John, N. B.[52]	47,514	2,525,349	2,377,500	4,505,573	9,408,422	3,102,435	77	19	4	6,305,987	2,106,400	44.33	....	15
16	Saskatoon, Sask.[53]	43,291	6,029,343	2,834,493	4,450,584	13,314,420	4,506,667	41	11	48	8,807,753	6,538,331	151.03	2,696,087	16
17	Victoria, B. C.	39,082	Not reported												17
18	Three Rivers, Que.	34,450	Not reported												18

N—None.

[1]*New York.* Utility bonds include rapid transit (subway), $752,447,860, and docks, $176,236,812; general bonds include assessment bonds, $99,735,000; general sinking fund includes school. The water utility is self-supporting, subway and docks partially self-supporting. General bonds include $99,735,000 assessment bonds. Debt is as at February 28, 1935.

[2]*Chicago.* General bonds include sanitary district bonds, $123,920,429, 86.4 per cent of the total debt of the district, which is the proportion of taxable values within the city. County debt, $45,186,160, and forest preserve district (co-terminous with the county), $13,126,000 are not included; 84.3 per cent of the taxable values are within the city. Utility bonds are light and power.

[3]*Philadelphia.* General bonds include utility debt. Net self-supporting debt estimated at $60,000,000. There is no county debt.

[4]*Detroit.* Utility bonds include street railway, $37,456,000, and lighting, $22,207,000.

[5]*Los Angeles.* General bonds include flood control, $11,486,850, based upon proportion of taxable values within the city; utility bonds include light and power, $32,635,000; harbor, $20,137,000; and metropolitan water district, $15,744,960. School bonds are issued by the county, the city's pro-rated share being reported. The city's portion of county debt, $3,456,-000, is omitted. General and utility debt are as at February 28, 1935.

[6]*Cleveland.* Utility debt includes light and power, $4,893,000. County debt, general, $30,693,-723, and county special assessment, $20,573,063, the city's portion being about two-thirds, are omitted.

[7]*Baltimore.* In addition to the water debt, general bonds for conduit and certain harbor terminal are deducted as self-supporting.

[8]*Boston.* Utility bonds include rapid transit, $58,940,700, and traffic tunnel, $18,500,000. County debt, borne entirely by the city, is not included.

[9]*San Francisco.* Utility bonds include street railway, $1,800,000; water includes power. Golden Gate and Highway District bonds, $20,700,000, of which the city comprises 83 per cent of the taxable values, not included.

[10]*Milwaukee.* General bonds include metropolitan sewerage district, $19,783,087, 79.53 per cent of the total, based upon the city's portion of equalized assessed valuation.

[11]*Minneapolis.* Utility bonds include light and power, $50,000, market, $19,000, and river terminal, $609,000.

[12]*New Orleans.* General bonds include sewer, water and drainage bonds. Utility bonds are Public Belt R. R. Debt reported does not include Public Belt Bridge, revenue bonds, $6,000,-000, port (a state agency) bonds, $38,056,000, and Orleans levee district (co-terminous with the city), $16,585,000.

[13]*Cincinnati.* General bonds include university, $3,197,272; utility bonds include rapid transit, $6,100,000; airport, $855,000; and Cincinnati Southern Railway construction and terminal, $21,832,000. The annual rental of the railway exceeds the debt charges on its construction bonds, the excess being equivalent to debt charges on approximately $10,000,000, 25-year, 4 per cent, bonds.

[14]*Newark.* Utility bonds include street railway, $10,124,000.

[15]*Seattle.* Utility bonds include light and power, $34,431,000, and street railway, $9,333,500. School debt includes 98.63 per cent of district number one, based on city's pro rata share of valuation.

[16]*Louisville.* The city sinking fund owns the capital stock of the Louisville Water Company, estimated to be worth more than $25,000,000.

[17]*Portland.* General bonds include dock, $7,029,800, and city's share (92.98 per cent) of port bonds, $2,725,000. Utility bonds include golf, $103,000. School debt reported is city's share (96.86 per cent) of school district number one. City's share (81.2 per cent) of county debt, $15,223,685, is not included.

[18]*Columbus.* Utility bonds include light and power, $1,569,000.

[19]*Denver.* Utility bonds include city's portion (88 per cent) of bonds of Moffat Tunnel District, which is partially self-supporting.

[20]*Oakland.* Utility bonds are city's share (60 per cent) of East Bay Municipal Utility (water) District.

[21]*Omaha.* Utility bonds include gas, $2,849,000.

[22]*Dayton.* Utility bonds include sewerage plant, $340,000. City's portion of Miami Conservancy District bonds not included.

[23]*Richmond.* Utility bonds include light and power, $300,000, and gas, $3,349,550.

[24]*Youngstown.* Debt reported does not include city's share (90.55 per cent) of Mahoning Valley Sanitary District bonds, $7,813,559.

[25]*Nashville.* Utility bonds include light and power, $81,000.

[26]*Long Beach.* Utility bonds include gas, $3,526,000, and city's share (8 per cent) of Metropolitan Water District bonds.

[27]*Norfolk.* Utility bonds include port terminal, $5,461,000.

[28]*Jacksonville.* Utility bonds include light and power, $1,387,500, and docks and terminals, $2,265,000.

[29]*Kansas City, Kansas.* Utility bonds include light and power, $2,312,000.

[30]*Miami.* Utility bonds include street railway, $97,000, and docks and warehouses, $157,000. Figures reported are after giving effect to refunding water, $1,780,000; street railway, $896,000; docks and warehouses, $2,126,000; and special assessment bonds, $6,912,000, but do not include certificates of indebtedness, $1,936,033, for interest refunded.

[31]*Tacoma.* Utility bonds include light and power, $7,434,000; street railway, $343,000; and garbage plant, $57,000.

[32]*Duluth.* Utility bonds include gas, $566,175.

[33]*Sacramento.* Utility bonds include wharf, $140,000.

[34]In the following cities utility bonds include lighting for the amount shown: Lansing, $1,819,000; Pasadena, $290,900; Springfield, Illinois, $205,000; Glendale, $46,500; Jamestown, $110,000; High Point, $29,000; Norwalk, $51,500; Sioux Falls, $50,000; Colorado Springs, $1,010,000.

[35]*New Britain.* Utility bonds include subway for electric wires, $462,000.

[36]*Beaumont.* Utility bonds include wharf, $1,646,500, and abattoir, $25,000.

[37]*Holyoke.* Utility bonds include light and power, $837,000; and Holyoke and Westfield R. R., $139,000.

[38]*Hamilton.* Utility bonds include light and power, $462,500, and gas, $135,700.

[39]*Dubuque.* Utility bonds include docks, $278,000.

[40]*Santa Monica.* Utility bonds include wharf, $47,000.

[41]*Toronto.* Utility bonds include light and power, $25,739,400; street railway, $30,057,760; Canadian National Exhibition, $2,926,200, of which 65 per cent of the debt is carried by taxation; Royal Winter Fair, $1,543,564, 54 per cent carried by taxation; abattoir, $311,689; ferries, $48,000; and housing, $346,000, 15 per cent carried by taxation. School debt includes Roman Catholic Separate schools, $2,300,000, not issued by the city, with sinking fund of $1,265,717. Debt reported does not include Harbour Commission bonds, of which $22,779,000 are guaranteed by the city.

[42]*Winnipeg.* Utility bonds include hydro-electric system, $25,877,000; housing, $2,150,000; and steam heating, $1,500,000; and other, $2,464,750.

[43]*Hamilton.* Utility bonds include hydro-electric, $2,723,334.

[44]*Quebec.* Debt for city as at April 30, 1934, and school, as at June 30, 1934.

[45]*Ottawa.* Utility bonds include hydro-electric, $916,661.

[46]*Calgary.* General bonds include hospital, $295,095; utility bonds include light and power, $3,037,872; and street railway, $2,835,795.

[47]*Edmonton.* Utility bonds include light and power, $1,441,568; street railway, $856,069; and telephone, $1,022,081.

[48]*London.* Utility bonds include hydro-electric, $972,526; electric railway, $1,947,025; and housing, $336,846. Data as at January 1, 1934.

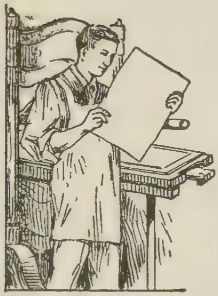
[49]*Windsor.* Utility bonds include hydro-electric, $1,430,101, and housing, $1,011,077. Roman Catholic Separate school bonds not reported.

[50]*Verdun.* Utility bonds are housing.

[51]*Regina.* Utility bonds include light and power, $2,119,643; street railway, $2,008,018; and air harbour, $100,000.

[52]*St. John.* Utility bonds include light and power, $761,829; ferry, $299,288; market, $70,-000; and housing, $19,090.

[53]*Saskatoon.* Utility bonds include light and power, $1,880,447, and street railway, $1,317,419.



NEWS OF THE MONTH

NOTES AND EVENTS

Edited by H. M. Olmsted

Nebraska Completes Unicameral Districting.—Nebraska's unicameral legislature, when it will first convene on January 5, 1937, will consist of forty-three members. By the provisions of the constitutional amendment adopted on November 6, 1934, the last of the regular bicameral sessions was charged with the responsibility of determining the number of members in the new body within the limits of thirty to fifty and was also given the duty of dividing the state into single member districts. After much discussion and considerable disagreement, the legislature has finally enacted a law which deserves to be commended as highly equitable.

Much of the credit for the successful determination of the number of members and for scientific districting belongs to Professor John P. Senning, chairman of the department of Political Science of the University of Nebraska. Professor Senning, by resolutions in the two houses of the legislature, was designated official adviser to the standing committees selected to consider bills pertaining to the unicameral system. In the later stages of the legislation, he was also constituted adviser to the joint committee of conference which reported the final measure. In the course of his work, Professor Senning prepared twenty-nine separate maps of the state to indicate possible districting under membership provisions varying between the constitutional limits of thirty to fifty.

The Senate was the first to pass a districting bill, and its measure provided for forty-eight members. The house, however, insisted upon the maximum membership of fifty. The joint committee of conference, consisting of three members from each house, reported a bill providing for forty-three members. This recommendation was adopted by the senate by a vote of 17 to 13, but the house rejected it by a vote of 48 to 49. But on the following day, after a motion to reconsider had prevailed, the house voted 54 to 43 for adoption. There was little sentiment in either house for the minimum number of members, both because of the ambition of many legislators to sit in the unicameral body and because of difficulties in districting. While many members of the house were persistent in advocating the maximum membership, a strong support for a legislature of forty-two or forty-three members developed in the senate because of the fairness and relative ease of districting for a body of that size. The attitude of the house made it strategically and politically unwise for the senate to provide for such a number in the first draft of the bill which was adopted.

The enacted measure will create a population ratio, with aliens excluded, of 31,471 per district. Douglas and Lancaster Counties, in which Omaha and Lincoln are located, will have seven and three representatives respectively. No other county will have more than one representative and the largest number of counties in any one district will be ten. The constitutional amendment provides that the aggregate salaries of all members shall be $37,500 per annum, and the individual legislator will therefore receive $872.09 per year or $1,744.18 per two year term, plus actual traveling expenses to and from each regular or special session. Since the present senate membership is thirty-three and the house membership one hundred, it is apparent that ninety incumbent legislators are automatically eliminated from the new session.

Careful analysis of all possible districting proposals reveals that a membership of forty-three is more equitable than any other constitutional number. Not only does it present a minimum of difficulty in meeting the requirement that the districts shall be "as nearly equal in population as may be and composed of contiguous and compact territory," but it also provides a fair distribution of representation between the eastern and western sections of the state.

FRANKLIN L. BURDETTE
University of Nebraska

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Administrative Reorganization Makes Progress In Mississippi.—Mississippi, while illustrative of disintegration of administration, ought also to be classed as a state making progress in reorganization. The constitution of the state (1890) provides for the election of seven officials and it sets up one ex-officio board. Statutory law provided for the election of seven administrative agencies, three of which have plural heads, together with some sixty various boards and commissions, some ex-officio and some appointive. In 1930 the legislature created the Research Commission and provided for "an expert investigation into, and study and analysis of all conditions of the state", and authorized the expenditure of $150,000 or so much thereof as might be necessary, on condition that this fund be matched from other sources. The Institute for Government Research, which was procured by the Commission to make the study, made a very comprehensive report to the 1932 session of the legislature, confining itself to the field of administration of state and county government. This has resulted in tangible action.

In brief, the recommendation of the Institute in regard to the reorganization of state administration was as follows: the popular election of one official, the governor; the selection of an auditor by the legislature; the creation of twelve departments—executive, taxation, treasury, justice, education, public health, public welfare, highways, conservation, public service, banking and insurance and local government, each with various numbers of bureaus. Of these twelve suggested departments those of education, public health, public welfare, and public service would have plural heads; and an alternate plan is offered providing for plural heads for the departments of highway and local government. In the field of county administration the survey suggests the consolidation of a number of counties, the direct election of the board of supervisors only, and the establishing of the following departments: executive, justice, health, taxation and finance, public works, agriculture, economics, education, and welfare.

Since the submission of this report we find the following tangible results accomplished:

An Executive Budget. The legislature in 1932 enacted a law creating a budget commission composed of the governor as ex-officio director, the chairman of the tax commission as assistant director, and the attorney general. The law places on the assistant director the responsibility of administering its provisions. He is to present to the governor a balanced budget, suggesting new sources of revenue where necessary. It is made mandatory on each spending agency to submit regular detailed reports to the assistant director, and no agency can exceed its appropriations except in an emergency.

Penal Institutions. The legislature in 1934 abolished the elective penitentiary trustees, to take effect January 1, 1936, and provided for the appointment by the governor with senate confirmation of three members for four years to comprise the board of commissioners for the state penitentiary system. He also appoints a superintendent of the penitentiary, for one year, with senate confirmation.

Public Welfare. In the same session of the legislature (1934) there was created a state board of administration for the government and control of state eleemosynary institutions. This board consists of five members appointed by the governor with senate confirmation, three of whom are from the supreme court districts and two from the state at large. After 1938 their term of office shall be for four years. This board took over the duties of the eleven boards controlling the various state institutions of public welfare.

H. B. HOWERTON
University of Mississippi

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Manager Plan Defeated in Syracuse.—At a special election held on May 27 the citizens of Syracuse, N. Y., turned thumbs down on "Plan C," by a vote of 31,318 to 18,441. Plan C is provided for in the optional city

government law of 1914, and is the only one of the plans within the law permitting a small council elected at large to select a city manager.

The forces responsible for the petition of ten thousand names which demanded the referendum were those usually interested in better government from a broad standpoint and also the small property owners. These have been suffering heavily. The per capita valuation is so high, it has led to hundreds of cases asking for judicial review, but the high valuation permits a high bond limit and the city is getting close to that limit. That the amount taken from the small taxpayers is beyond their real capacity to pay is shown by the poignant fact that nine per cent of the families of the city lost title to their homes in April. What per cent of the home owners that is cannot be known exactly but it may be about 20 per cent.

Four forces combined to oppose the referendum: (1) all those profiting by the spoils and patronage system, (2) a group of upright respectable citizens whose large interests have entangled them with the existing system and who believe that a local spoils machine is a *sine qua non* to the existence of the one of the great national parties they favor, (3) those who believed the argument that Plan C "does not fit the special needs of our beloved city" and who really believe a committee the mayor set up will at some time later present a charter that will suit Syracuse, (4) the percentage of the population on relief is large, 18 per cent, and analysis shows that the amount received per family is the highest in the state. While the local administration really does not furnish much of the money so distributed, the folks who receive it think they do.

Whether the "flight from reality" which the result indicates, for the publication of facts was very irritating, can continue long remains to be seen. It may succeed, for the city is a strong center for the demand for state aid in taxation. If it succeeds the financial incubus will be loaded on the state and the spoils and patronage system may start on another period of prosperity.

WALTER J. MILLARD

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Chicago City Manager Activities.—The Chicago City Manager Committee, recently organized by a group of business and civic leaders to sponsor the city manager plan in that city, has just established headquarters at 343 South Dearborn Street. Preliminary activities of the committee will be centered around the enlargement of the group to five hundred men and women, representing various business, professional, social, church, racial and other elements. From this membership, it is proposed to draw the active working committees, which will assume active charge of the various phases of the work. The ultimate objective of the committee will be developed through the organization of a city-wide group of active workers.

*

Southern California Institute of Government.—The seventh annual Institute of Government, of the School of Government, University of Southern California, Los Angeles, California, will be held June 10-14. Fifteen or more sections covering a wide variety of governmental problems will conduct programs.

*

Program of Municipal Law Committee of American Bar Association.—The tentative program of the Special Committee on Municipal Law of the American Bar Association, which will meet in Los Angeles, July 16 and 17, is announced as follows: "Legal Problems of Financially Embarrassed Municipalities," by James H. Pershing and Edward J. Dimock; "Legal Problems Involved in the Enforcement of Obligations Secured Solely by Publicly Owned Enterprises," by Edward J. Foley, Jr., of the Federal Emergency Administration of Public Works, Washington, D. C.; "Federal and State Projects and Their Relationship to Municipal Ownership of Utilities," by S. S. Robinson, Special Counsel to the Department of Water and Power of the City of Los Angeles, Calif.; "Reorganization and Consolidation of Units of Local Government," by Gordon Whitnall; "Local Tax Problems," by Roger J. Traynor; and "Fault of Service as a Basis for the Responsibility of the State," by Frederick F. Blachly.

*

Wellesley Summer Institute for Social Progress.—"Social Planning in an Age of Conflict" has been chosen as the general theme for the lectures, round tables, and discussions at the Summer Institute for Social

Progress, at Wellesley College, during its third annual session July 6-20 on the college campus, Wellesley, Mass. The problem of housing will receive much attention. Max Lerner, professor of politics at Sarah Lawrence College, will again head the faculty, members of which are chosen not only for their competence but for their ability to lead discussion.

Those who are interested in evolving better and more efficient methods of meeting our present economic and social problems are invited by the Institute to apply for membership. From those applying 130 men and women are chosen so as to keep business, industry, and the professions represented in balanced proportions. Details of the program and application blanks may be obtained from G. L. Osgood, 14 West Elm Avenue, Wollaston, Mass.

*

Comparative Telephone Rates.—In connection with the movement for utility rate reductions, a comparison of individual-line telephone rates in cities of 100,000 to 500,000 population (73 in number) furnished by Dr. John Bauer, is of interest. In the case of business telephones the rate for one hundred calls per month ranges from $4.00 to $11.00, with an average of $6.49; for two hundred calls, from $6.00 to 11.25, average $8.61; for five hundred calls, $6.00 to $23.48, average $10.82. With residence telephones the rate for fifty calls per month ranges from $2.00 to $4.75, average $3.75; for one hundred calls, from $2.80 to $6.10, average $3.92; and for two hundred calls, from $3.00 to $10.60, average $4.15. In thirteen cities no business flat rate is available, while in twenty-three there is no measured-service business rate. In sixty cities only flat rates are available for residence service.

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Improving Assessing with White-Collar Works Money.— A good chance for communities to install up-to-date methods of assessing real and personal property is offered by the earmarking, out of the four billion dollar works fund, of $300,000,000 for employment of professional, technical, and clerical workers, according to Albert W. Noonan, associate director of the National Association of Tax Assessing Officers.

Most assessing officers are as desirous of installing modern systems in their offices as taxpayers are, but heretofore the expense involved has been a discouraging factor. Because the installation of a modern system of appraising property meets all of the tests prescribed for work relief projects under the new set-up, Mr. Noonan says, it is believed that this type of project will be strongly encouraged.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

Texas—Drought-Stricken Counties Ask Tax Remission.— Remission of state ad valorem taxes in fourteen drought-stricken counties of the Texas Panhandle was recently demanded at a meeting of erosion control advocates in Amarillo.

The representatives attending the meeting, including county judges, commissioners, and others, voted to petition the Texas legislature to pass an act which would remit property tax moneys and place them in county sinking and interest funds to be used to liquidate federal loans necessary to abate soil erosion. The proposed bill would create soil wind erosion conservation districts. County commissioners' courts would administer the program and would be permitted to lend money to individual drought victims. The courts would further be authorized to include the land of non-coöperating owners in the general program and to assess reasonable costs for erosion control measures. The act would limit remitted tax funds to the retirement of debts incurred to check soil erosion.

The petition was presented to the Panhandle legislative representatives in Austin, but it is likely that no action will be taken in the present session as the term is drawing to a close with much important legislation on the calendars of both house and senate.

Roscoe C. Martin

The University of Texas

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Oregon—Rejects County School Unit.— The Oregon legislature which came to an end on March 14 flatly refused to accept the program which Governor Martin had endorsed (as reported in the October issue of the Review) looking toward an extension of

the county unit plan of school administration. Because of the opposition of the State Grange and other rural groups the original scheme to require the inauguration of this unified method for administering schools, except in first class districts, was withdrawn and a very innocuous measure which merely forced counties to vote on the question was substituted. While this passed the house it was easily beaten in the senate by the same rural-conservative forces. The Grange people sponsored instead a measure to provide for equalizing the financial support of schools within the county. This also was defeated.

Rejects Unification of Welfare Agencies.—A similar story must be told concerning the proposed state department of welfare which was to have achieved a similar unification of all the state agencies dealing with dependent, defective and delinquent groups and a more complete supervision over the welfare activities of county officials and private institutions. While the governor, with the approval of his "brains trust," had given this proposal his endorsement, he quickly discovered its inexpediency. The original proposal was watered down in four stages by as many bills, but still the legislature would have none of it. The united opposition of the county judges, certain members of the state board of control (which now supervises the state prison, training schools, etc.) and of the private institutions which now receive state funds under a minimum of state control, proved invincible—particularly when the governor discovered that he was not certain he desired to lead a vigorous charge in that direction. It is alleged by some insiders, however, that the measures passed at the request of the governor and the federal relief administration, which revise the state law concerning the coöperation of state with federal relief agencies and which establish a coöperative administration for old-age pensions, will largely achieve the ends sought by the welfare department measure. If this is so there will be cries of anger and revenge when the import of this act is discovered.

Adopts Uniform Accounting Systems.—Toward the close of the session there was enacted a measure, sponsored by the League of Oregon Cities, which sets up in the secretary of state's office, a division which is to prepare uniform accounting systems for counties, cities, and school districts and to perform audit services at cost for any such unit upon request. For some time the League has been urging the development of a standard accounting system and standard audit practices for Oregon cities. It proposed a compulsory measure at first, but owing to opposition from some local government officials and private firms, accepted the permissive substitute, which became law. There is little doubt that this is an important measure of which many cities have already indicated they intend to take advantage. This act will also afford the basis for reporting municipal, county and school financial transactions so that more adequate comparisons may be made than have been possible heretofore.

Permits County Consolidation.—One measure which may be of real importance during the next twenty years is that which facilitates the voluntary consolidation of adjoining counties. This act originated in the distress of Jefferson county which is in the heart of the dry section of central Oregon. The federal government has declared considerable parts of this county to be sub-marginal and is buying up a number of farms and moving the people out. Jefferson being a county of small property value and sparse population, the removal of these people and their property creates a crisis for the remnant of the county. This situation is likely to be repeated in a few other counties. There is also the similar situation in prospect as a result of another act which permits the purchase by the U. S. Forest Service of privately owned timber lands for incorporation into national forests. In many counties private timber owners will be glad to sell their holdings to the government in order to get something out of their property before it is eaten up by taxes. This means the withdrawal of the chief source of taxable wealth from many counties and school districts. The result will probably be an increasing interest in county amalgamation and the transfer of the cost of school and highway functions to the state.

Postpones Tax Foreclosures.—The acute tax delinquency situation that has developed in Oregon during the past ten years, which has been so disastrous to county, city, and school finance, barely escaped further depression. The legislature, which in a prior session

waived the penalties and interest on taxes delinquent from 1923 to 1930 inclusive, passed a measure doing the same thing for delinquencies for 1931 and 1932. This menace to the continued existence of many cities, schools, and counties was removed by the governor's veto. However, he signed another bill postponing for two years foreclosure proceedings due to prior delinquencies.

Appoints Survey Commission.—The Director of the budget, with the approval of Governor Martin, prepared a measure for consolidating all the state administrative agencies that are of statutory origin (which includes most of them) into seven departments over which the governor was to be given full control. While it is said that there were enough votes pledged to have forced it through the legislature the governor preferred to withdraw the bill after it had dramatized the issue. Thereupon in its place was introduced a resolution providing for the appointment of an interim commission to survey the entire administrative organization of the state government, to study the effects of reorganization of state administration in other states, to make comparisons of cost under the existing and proposed plans of organization, and to report with recommendations not later than March 1, 1936. Tucked away in the resolution is a clause which authorizes the commission to "include in its surveys and recommendations, plans and legislation whereby the government and administrative functions of cities, counties and other municipal units may be simplified, consolidated, and made more economical and efficient, and may be coördinated with the governmental and administrative functions of the state." Should there be sufficient money so that this part of the duties of the commission is fulfilled it will be a most important event for county and local government in Oregon.

Forbids Payment for Circulating Petitions.— Another law which is of vital consequence to all levels of government in the state is the adoption of a measure which makes it a crime to give or receive money for circulating petitions for initiative referendum, or recall. This affects cities and counties as well as state measures and officers. There can be little doubt that it will mean an abrupt halt upon the use of the devices that were once known as "the Oregon system." It will be interesting to observe how the mass of the voters will react to this when they discover what this change really means.

Charles McKinley
Reed College

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Wisconsin—Would Reorganize Relief Administration.— The Wisconsin Conference of Social Work is sponsoring a very significant bill before the present state legislature. This bill has to do with the county as the unit of relief administration. Wisconsin's relief law was passed in 1849, shortly after the entrance of the state into the Union. Like the earlier laws of other states, it was modeled on the Elizabethan Poor Law. Consequently, the unit of relief administration was the town, the village, or the city. Even in the original act, however, a provision was inserted allowing the county board of supervisors to adopt the county as the relief administrative unit. Many counties adopted this system at once and forty-five had done so prior to the present emergency.

The entrance of the federal and state governments into the relief field was accompanied by the stipulation that aid would be granted only to counties operating under the county unit system or to groups composed of several cities, villages, or towns. Hence, fifty-nine counties now have the county unit system; nine operate under the group system; and the remaining three are not receiving federal aid.

The bill sponsored by the Social Work Conference seeks to lay down the mandatory rule that the county shall be the administrative unit for relief. It also provides that two counties may unite for relief administration, under a regional director, by the consent of the county boards, and subject to the approval of the state board. An additional impetus is thereby given to consolidation. Administration in all counties (a special rule is provided for Milwaukee County) is to be placed under a committee chosen by the county board of supervisors. A director of relief is to be appointed by this committee, with the approval of the state board. The law specifies that the selection shall be upon the basis of fitness, without regard to political or religious affiliations or residence, but no machinery is provided to secure the enforce-

ment of this expression of administrative piety. Removal of the director must be for cause, after notice and public hearing. Appointments of other workers are to be under the merit system in counties operating under that system of personnel selection.

Under the present poor laws of this section of the country much litigation has arisen over the residence of relief applicants. Townships have fought unceasingly in order to avoid their burdens. The bill seeks to check this difficulty in two ways. First, settlement in the county, rather than in the town, is made the basis of relief. Secondly, it is provided that disputes on this point be taken to the state board (the Industrial Commission until some other agency is named), rather than directly to the courts. Appeal from its findings may be taken before the circuit court of Dane County, but past experience leads to the belief that relatively few such cases will be so appealed.

No doubt this proposed reform, far-reaching as it is, will meet with stiff opposition. The bill is still in the hearing stage.

Lee S. Greene
University of Wisconsin

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Tennessee—Fee Grabbing Wins.—During the past year, bar associations and lawyers' committees in Tennessee have been agitating for reform of the state's unsatisfactory and outmoded justice of the peace system. A group of Chattanooga citizens began the campaign, and drew up a bill which was enacted into law by the legislature in February. This legislation, applying only to Hamilton County, stripped justices of their authority to try criminal cases; otherwise their jurisdiction remained intact. For the handling of criminal cases there was set up a new county inferior court, with a salaried judge. This court was in operation from February 23 to April 9, 1935; on the latter date, the law establishing it was held unconstitutional, chiefly on the ground that it constituted local legislation.

This period was sufficiently long, however, to demonstrate the superiority of the new court over the justice courts. Justice of the peace courts are supported in Tennessee by fees, which can be collected in criminal cases only from defendants who plead guilty. Dismissal of a case means that the justice is depriving himself of a fee. It is generally believed that this fact prevents justices from showing reasonable leniency to defendants, most of whom are charged only with minor violations of the law. The great virtue of the Hamilton court was that the judge was relieved of dependence on fees and enabled to decide cases on their merits.

The result of eliminating fees is shown by the following statistics. The new court disposed of 203 cases, of which 107, or 52.7 per cent, were dismissed or passed indefinitely. On the other hand, out of 5,247 criminal cases handled by seven Hamilton County justices of the peace in 1933, 1,296 cases, or only 24.7 per cent, were dismissed or withdrawn.[1] If it is admitted that the new court was in existence long enough to try a fair sample of cases, then the difference in disposition of cases can be explained only by the fact that the judge was not forced to administer justice with one eye on his pocketbook.

Following the ill-fated Hamilton County measure, a state-wide bill was introduced in the legislature, proposing to take from justices of the peace their authority in both civil and criminal cases. There is no question that justices have abused their civil as seriously as their criminal jurisdiction. For example, it has been shown that of 25,088 civil cases coming before 67 justices of the peace in Tennessee in 1933, 24,663 cases, or 98.3 per cent of the total, were decided in favor of the plaintiff.[2] Here again it is the fee system which is responsible for this mockery of justice, since fees can be collected only in cases where the defendant is found guilty. The proposed law would have abolished these justice of the peace courts, substituting for them courts of general sessions with salaried judges. However, the bill was defeated. It passed the Senate by a vote of 18 to 9, with 73 of the state's 95 counties exempted from its operation by amendments, but it was tabled in the House after all except five counties had been exempted. Consequently, Tennessee faces two more years of fee grabbing.

C. Herman Pritchett
University of Chicago

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[1]T. L. Howard, "The Justice of the Peace System in Tennessee," *Tennessee Law Review*, v. 13 (1934), p. 31.

[2]*Ibid.*, p. 25.

TAXATION AND GOVERNMENT
Edited by Wade S. Smith

Tax Collection Costs Summarized.—An interesting analysis of the administrative costs of tax collection in Pennsylvania cities is made in a recent issue of the *Bulletin* of the Pennsylvania Economic Council.

This study, covering third-class cities in the state, shows that per capita administrative costs averaged $1.25 in 1933. There is one city at this average, 23 below it, and 20 above it. Quoting from the *Bulletin,* it was found:

"The range was from $0.69 to $2.36 per capita. The costs are generally slightly higher in the larger cities, the average of the 22 larger cities being $1.33 per capita and that for the 22 smaller $1.18 per capita. It is interesting to note that the general average ($1.25 per capita) slightly exceeds the cost of administration in counties of the third, fourth, and fifth classes ($1.21 per capita).

"Tax collectors' commissions are a cost of government. They should be shown as taxes received on the receipt side of the accounts and as tax collectors' commissions on the disbursements side. Other officials who handle money do not subtract their salaries before making their report; neither should tax collectors. Under present practices, most tax collectors are their own paymasters. Municipalities and counties throughout the state have in this matter an opportunity to improve their reporting practice and, thereby, to make their reports show the true conditions."

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Municipal Outlay Decreases Since 1931.—A recent study of municipal expenditures made by J. L. Jacobs and Company of Chicago shows a marked decrease in outlay in ordinary operating purposes since 1931.

The study covered 89 American cities. In 1931 the total expenditures for 19 cities making complete reports for all the years totalled $314,075,000. In 1932 the figure was $279,270,000 and in 1933, $259,456,000. In 1934 expenditures increased slightly to $271,509,000. It is estimated that the expenditures for 1935 will total $265,618,000.

Classifying the expenditures by purpose, it was found that the chief decrease was for operation and maintenance. Using the 1931 total as an index of 100, expenditures for this purpose had decreased by 1935 to 79.6. On principal and interest on bonds, with the same index as for the year 1931, expenditures had decreased by 1935 to 96.9. Decreases for total expenditures since 1931 were: 1932, 88.9; 1933, 82.6; 1934, 86.5; and 1935, 84.6.

According to the study, "Similar trends are indicated in the municipal expenditures for ordinary operation and for debt service in 27 additional municipalities on which data are available for the years since 1933."

The study shows further that until the current year the expenditures for debt service were absorbing an increasingly large proportion of total municipal expenditures. The 1935 estimates show a reversal of this trend. Summarizing the data, it appears that in 1931 the percentage of total municipal expenditures in 19 cities was 72.1 per cent for ordinary operation and 27.9 for debt service. The estimated expenditures for these purposes changed to 65.3 per cent for operation and to 34.7 for debt service in 1934, and in 1935 are estimated at 68.1 per cent for ordinary operation and 31.9 per cent for debt service payments.

"The high ratios of the debt service payments to total municipal expenditures are the direct result of accumulated bond principal and interest charges, while expenditures for general operation purposes have been decreasing since 1931," according to the conclusion of the survey. "The difficulties coming from the high ratios for bond service charges are being met in many cities through bond refunding. Where refunding plans are being worked out constructively, there is greater assurance of meeting such payments and with lower interest rates. Also possibilities of debt defaults, debt scalings, or repudiations are minimized. At the same time safeguards are being provided in some cities against increases in operating expenditures with the shifting of the bond and interest payments to the later years. These conditions along with the fall in property values and incomes are having the further effect of limiting the financing of improvements through bond issues and the adoption of the pay-as-you-go plans for financing other than self-liquidating public improvements."

Cities Find Refunding Conditions Favorable.—The fortunate condition of municipalities which wrote "callable" provisions into their bonds is cited in a recent bulletin of the Public Administration Clearing House. The city of Los Angeles recently disposed of nearly $3,000,000 by refunding water bonds at the lowest interest rate ever secured—3.5 per cent for $975,000 and 3.75 per cent with a premium of $11,050 for $2,000,000. The nearest approach to this low was recorded a number of years ago when some miscellaneous issues were sold with no premium at an interest rate of 3.75 per cent.

Wichita, Kansas, recently sold an issue of approximately $20,000 to bear a 2½ per cent interest at par, plus accrued interest and a premium of $24.35 per thousand, or an average interest rate of around 2¼ per cent.

Salem, Oregon, was recently able to refund old 6 per cent bonds on a 3 per cent basis. Officials of Portland, Oregon, had been negotiating with eastern bond houses over the possibility of refunding issues totalling more than $5,000,000, including improvement bonds aggregating about $4,250,000, now callable, and $500,000 in water bonds maturing September 1, which officials are hopeful of refunding on a 3½ per cent premium basis. Seattle, Washington, has just authorized the refunding of $3,104,000, spurred on by the success of Bellingham, Washington, in refunding a $256,000 issue at the record low effective rate of 2.694.

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Homestead Exemption Favor Weakening.— Bills to provide for the wholesale exemption of homesteads from *ad valorem* taxation, which were sweeping the state legislature sessions to open early this year, have failed to meet with the legislative favor which many observers anticipated. According to a recent report made by Robert M. Paige for the American Legislators' Association, in 14 states homestead exemptions have already been defeated, and only two states, New Mexico and Utah, have acted favorably on the proposals. Homestead exemption measures are pending in 13 more.

Both of the homestead exemption measures which were passed during 1935 proposed constitutional amendments which must now be ratified by the people at a popular referendum. The New Mexico proposal would authorize the legislature to exempt homesteads up to the value of $2,500. The Utah proposal would apply to homesteads up to $2,000 of their assessed value and personal property up to $300. It will be recalled that a similar homestead exemption amendment was ratified by the voters of Florida last November. A Florida supreme court decision, however, has to a large extent nullified the exemption measure by holding that the exempted homesteads will still be liable to tax levies to retire existing indebtedness. Partial homestead exemptions also exist in Louisiana, Minnesota, and West Virginia; while Texas and Mississippi exempt homesteads from state tax levies.

States which have defeated homestead exemption bills either in committee or on the floor are Arkansas, Colorado, Georgia, Idaho, Kansas, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Washington, West Virginia, and Wyoming. Iowa's legislature passed such a measure but it was vetoed by the governor. Those states in which exemption legislation still is being considered are Alabama, California, Illinois, Massachusetts, Michigan, Minnesota, Missouri, New York, Ohio, Oklahoma, Pennsylvania, Tennessee, and Texas.

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New Mexico Association Urges Tax Payments.—Apropos the fact that payments for the second half of local taxes will fall due in many local units during June and July, the following comment from a recent issue of the *Bulletin* of the New Mexico Tax Association is worth reprinting:

"It is unfortunate that economic conditions have made necessary the enactment tax postponement laws and the suspension even for a short time of tax collection enforcement procedure. However, there are some of our taxpayers who have failed in better times to follow the practice of paying promptly and have now such an accumulation of unpaid taxes that the state, like a wise creditor, is

making it possible for them to pay their debts for the governmental services they have received.

"Then we have some of our property owners and business men who have in recent years suffered such loss of values and diminished income that they have been unable to meet their increasing tax burdens. It is for them primarily that tax relief laws are intended.

"However, there are many of our taxpayers who are still able to 'dig up' the money to pay their taxes on time and to them the appeal is made to 'keep the government going.' The state, counties, cities, towns, villages, and schools can not operate without money to pay for services, supplies, printing, postage, travel expense, etc. As a rule our various governmental agencies have to incur indebtedness before the cash is actually in the treasury even in normal times.

"Delay in tax payment will mean embarrassment to business dealing with state, county and local officials, to employees in all departments and especially to our largest group of public servants—the teachers in the public schools.

"All taxpayers who can possibly do so are urged to pay taxes as usual. No doubt the railroads, the banks, the mines, the telegraph and telephone companies and other utilities and businesses, which provide in their annual budgets for their tax payments, will pay as usual during the present month of April. Property owners with salary and wages or other steady income can appreciate the situation as to the present need for tax payments. Anyone owing taxes for any year including any 1934 taxes can pay them now without interest or penalties."

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Baltimore Defeats Limitation Amendment.—A proposed amendment to the charter of the city of Baltimore, Maryland, to limit the tax rate of real estate and personal tangible property to $1.00 per $100.00 of assessed valuation for all city purposes other than debt service was defeated at the polls on Tuesday, May 7, by a vote of 86,301 against and 50,279 for.

The proposal was placed on the ballot by a petition originated by a city-wide committee sponsored by a local real estate board. The fight against the amendment was led by the Commission on Governmental Efficiency and Economy, which carried on an effective publicity campaign to indicate to the taxpayers the strangling effect of the proposed amendment.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

Toledo Retains Its New Charter.—Just as this issue goes to press, word comes from Toledo, which voted May 28 on the retention of its new P. R. manager charter, that the voters have retained the charter by a substantial majority. The telegram received from Bernard L. Gladieux, Executive Secretary of the Toledo City Manager League, reads as follows:

"At special election Tuesday, Toledo voted 27, 624 to 18,338 to retain city manager proportional representation charter approved by voters last November. Vote was light yesterday but victory even more decisive than former 5,225 majority. Opposition consisted of city hall political patronage group who forced ordinance for special election through council on basis of petitions on which were thousands of illegal signatures and forgeries as proved by our thorough investigation. Result of election was stinging rebuke to present city administration in its mismanagement of municipal finance which has brought Toledo to verge of bankruptcy. Political opposition made proportional representation main issue, claiming it was a lottery system of voting and un-American. Some labor opposition claimed that city manager league was backed by vested interests with ulterior motives. Deplorable condition of municipal affairs, coupled with civic indignation at extra cost of an unnecessary special election, contributed heavily in our favor. Positive speaking program, showing the way out through city manager, and effective ward organization mainly responsible for our victory. Toledo definitely looks forward to a new day in its municipal government."

The Tale of Two Cities.—Under this title *Greater Cleveland,* organ of the Citizens League of Cleveland, for April 18, 1935, contrasts the experience of Cincinnati under P. R.-manager plan government with that of Cleveland under ward plan-mayor government since it abandoned its P. R.-manager charter in 1931. Some of the statements have only the considered opinion of a reputable civic organization behind them, but others are official figures which speak for themselves. The comparison follows:

A Striking Contrast in Politics and Government

CINCINNATI

POPULATION—451,160.

AREA—72 square miles.

FORM OF GOVERNMENT—City Manager Plan.

POLITICS—Strictly non-partisan.

CHANGES IN ADMINISTRATION—One in ten years.

ASSESSED VALUATION—$816,229,000.

TAX RATE (CITY PURPOSES)—8.15 mills.

NET BONDED DEBT—$41,164,572.*

INTEREST RATE ON BONDS SOLD—2.4%.

REDUCTION IN BONDED DEBT (4 YRS.)—$10,707,853.

DEFICIENCY BONDS ISSUED (2 YRS.)—None.

SCRIP ISSUED (4 YRS.)—None.

SALARY PAYMENTS—Regularly in cash.

SALARY CUTS—Restored all to employees under $1500—one-third to employees over $1500.

*Not including self sustaining activities.

CLEVELAND

POPULATION—900,426.

AREA—73.95 square miles.

FORM OF GOVERNMENT—Mayor-council Plan.

POLITICS—Extremely Partisan.

CHANGES IN ADMINISTRATION—Four in ten years.

ASSESSED VALUATION—$1,208,889,391.

TAX RATE (CITY PURPOSES)—14.3436 mills.

NET BONDED DEBT—$102,258,000.*

INTEREST RATE ON BONDS SOLD—4.5%.

INCREASE IN BONDED DEBT (4 YRS.)—$9,756,085.

DEFICIENCY BONDS ISSUED (2 YRS.)—$9,500-,000.

SCRIP ISSUED (4 YRS.)—$2,387,565.

SALARY PAYMENTS—Irregularly—one-half in scrip.

SALARY CUTS—None restored—no money available—too many on pay rolls.

Public Safety

Cincinnati

CRIME CONDITIONS—Definite reduction in major offenses.

SIZE OF POLICE FORCE—620.

NUMBER OF POLICE PER SQ. MILE—8.6.

CONDITION OF POLICE FORCE—Morale high—no politics—steadily improving in efficiency.

FIRE LOSSES (1934)—$555,163.

PER CAPITA FIRE LOSS—$1.20.

FIRE LOSSES DECREASED over one-half in ten years.

Cleveland

CRIME CONDITIONS—Definite increase in major offenses.

SIZE OF POLICE FORCE—1393.

NUMBER OF POLICE PER SQ. MILE—18.9.

CONDITION OF POLICE FORCE—Morale low—demoralized by politics—steadily declining in effectiveness.

FIRE LOSSES (1934)—$1,339,048.

PER CAPITA FIRE LOSS—$1.83.

FIRE LOSSES DECREASED nearly one-half in ten years.

The Civil Service

Cincinnati

MERIT SYSTEM—Strictly observed in appointments—no partisan appointments—few changes—city service becoming a career service.

RETIREMENT SYSTEM—Actuarily sound system in operation—$800,000 in reserve fund—protection in old age for all retired employees.

Cleveland

MERIT SYSTEM—Ignored and violated—many and frequent changes for partisan reasons—morale gone—no incentive for career service.

RETIREMENT SYSTEM—None, except unsound police and fire pension plan—no fund reserves—no protection for employees in old age.

MERIT APPOINTMENTS—"I know of no position in the city government that has not been filled from eligible lists, the result of a vigorous and impartial civil service examination. The assurance given the city manager that he would be relieved of political or personal pressure has been kept. No patronage committee of a political organization has dictated appointments to any official."—*Mayor Wilson.*	MERIT APPOINTMENTS—We know of few positions where the present city administration has not tried to use it as personal or political spoils. The assurance given the people that the administration would give an efficient administration has been completely ignored. The mayor has been his own patronage committee and is building up his personal political machine. Two-thirds of the ward leaders are on the city pay roll.
FINANCIAL CONDITION—"The sound financial condition of the city is the result of a thorough going budget system, which conserves current revenues and permits only a tax rate that is actually required to render the quality and amount of services that the public needs or wants."—*Mayor Wilson.*	FINANCIAL CONDITION—The unsound financial condition of the city is partly the result of thoroughly bad budgeting, which ignores sound budget procedure; partly the result of searching for more revenue to spend in the form of salaries and wages to partisan favorites.
PUBLIC CONFIDENCE—"Our citizens have believed in their government sufficiently to pay most of their taxes promptly—real property taxes have been reduced about one-third—96% of the levies have been paid—an outstanding record for taxpaying during these hard times."—*Manager Dykstra.*	PUBLIC CONFIDENCE—Our citizens have no confidence in the aims of the administration —they do not willingly pay their taxes— rates have been increased—bonds have been issued to make up deficits—a record of tax delinquency which is deplorable even in hard times.
REPUTATION—"Cincinnati's government is held up as worthy of emulation. Cincinnatians have reason to be proud of the spirit of the municipal administration that has been maintained during the past nine years."—*Mayor Wilson.*	REPUTATION — Cleveland's government is looked upon as unworthy of emulation. Clevelanders are disgusted with the low tone of municipal administration that has prevailed for the past four years.
REFLEX—Cincinnati's good government is reflecting itself in better business, better labor conditions, higher property values, a willingness on the part of investors to invest in Cincinnati, a desire of industries to locate in Cincinnati, a steady improvement of conditions which make a city a good place in which to live and work, and a sense of pride on the part of the people that they are residents of a city of which they can be proud.	REFLEX—Cleveland's bad government is reflecting itself in unimproved business, deplorable labor conditions, lower property values, a hesitancy on the part of investors to invest in Cleveland, a manifest refusal of industries to come to Cleveland, and others to move away unless and until conditions are improved, and a sense of shame and impotency on the part of the people that the city should have reached so low an estate.

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Stockholm Goes to the Polls.— On Sunday, March 17, the city of Stockholm, Sweden, went to the polls to elect a new Board of Aldermen (or Stadsfullmäktige). Never before had the city witnessed such an aggressive and hard fought campaign. Hundreds of public meetings were held, large trucks with all sorts of decorations ranging in splendor and expense from the conservative's modernistic trains of floats equipped with loud speakers and adorned with Swedish flags to the cheaply hand-painted, ramshackle equipages of the red communists and the swastika-flaunting nazis, moved up and down all the principal thoroughfares of the city. Scores of election "locals" sprang up in all districts, and not a single day passed that solicitors did not shower pamphlets and throwaways on the prospective voters. The newspapers all actively entered into the fray.

For a month prior to the election, their columns were filled with election appeals and reports on meetings. Nearly all available space on billboards was taken up by brightly-hued election posters. The Social Democrats showed an election film to packed houses in fully a third of the theatres, and the Conservatives employed an autogiro to string their banner across the skies. Finally, several parties proclaimed their messages with still and running electric signs. One must admit that every concievable instrument for influencing public opinion was pressed into action—except the instrument of blunt force.

Not a solitary call to the police to quell disorder was made either during the campaign or during the actual voting. Although the election was bitterly contested, the voter was not molested in the exercise of his sovereign privilege of making up his mind without pressure. There were no charges of intimidation at the polls, no complaints of the denial of the right to vote, and no ascertainable instances of election frauds or improper tallying of the count.

It would be difficult, however, for the uninitiated to find any local issues in the election appeals. The Social Democrats, being in power, were on the defensive, and they naturally pointed with pride to their accomplishments in the conduct of the municipal government. The fight against them was led by the Conservatives, and through their efforts, the attention of the voter was directed towards the program of the Social Democratic party in the national government. Various monopolies had been suggested by the government, which were denounced by the Conservatives as preliminaries to higher taxation and the loss of economic liberty.

The results of the election were disappointing to both of the leading contestants. The intensity of the campaign is seen in the fact that 70.4 per cent of the voters entitled to vote went to the polls. The Social Democrats lost seven of their aldermen, reducing their majority in the board from 52 to 45 and thereby depriving them of effective control over municipal affairs for the next four years. The Conservatives, despite the expenditure of tremendous energy and considerable money, had the ill fortune to lose two of their thirty-five aldermen, while the Liberals jumped their representation from eight to fourteen. To complete the roster the Socialists (Swedish communists) gained two, giving them seven, and the straight-out Communists, with a 245% increase in their popular vote, won a seat in the board. At the first meeting of the new board, the Liberals, with the positive aid of the Conservatives and the negative assistance of the Socialists, demanded and received one of the two vice-presidencies of the board.

Various interpretations of these results have been offered. The proportional method of voting enabled the Liberals to make their extraordinary gain—at the expense of the Conservatives—but there is no audible discontent with the system. The voters are satisfied with P.R.; they want no return to the old unfair and unrepresentative majority elections.

But it has been shown that where the party-system operates in a local election, national issues cannot be eliminated. Sweden has borne up remarkably well during the current economic crisis in the rest of Europe, with its intense nationalistic pressures. Nevertheless, the superior loyalty to the blue and gold national standard, favored by the parties of the Right, over the red flag of international brotherhood, which is still conspicuous at Social-Democratic meetings, was conclusively demonstrated. It was rumored, too, that there was internal dissension within the government party. But the boast of the Right that they had won the youth, the new voters, was disproved by the Social Democrats.[1] The resulting distribution of seats gives to the votes of the extreme Left a ficticious importance. The most significant gain was that of the moderate element in the Folk (Liberal) party, and, since it was made chiefly in the middle-class districts of south and west Stockholm, one may conclude that the average citizen in the Swedish metropolis wants to see the great social program of the

[1]By comparing the vote in the aldermanic election (age qualification: 24 years) with the vote in the concurrently conducted election of senatorial electors (age qualification: 27 years). The Social-Democrats received 40.4 per cent and 40.2 per cent respectively.

government continued, although perhaps at a somewhat reduced rate.

—Roy V. Peel

(Professor of Political Science at New York University on leave of absence for governmental research abroad).

Stockholm

Jane Addams.—Believers in electoral justice as the foundation stone of democracy have reasons of their own for joining in the universal tribute to Jane Addams. The same passion for human brotherhood which inspired her manifold activities from Hull House in Chicago to world-wide organization of women for international peace and freedom made her an early and consistent advocate of representation for all. From 1921 until her recent death she gave her great influence to the work of the Proportional Representation League as a member of its Advisory Council.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

Edited by Robert M. Paige

Minnesota Taxpayers Association.—The Association has just issued a booklet entitled "Minnesota Taxes—Where They Come From and Where They Go." This has been planned as a reference book for taxpayers and public officials and contains a great deal of useful statistical information on sources of revenue, trends in the yields of various taxes, trends in expenditures for various purposes, and trends in indebtedness. The Wisconsin Taxpayers Alliance issued a similar reference book last year.

The Minnesota Association actively supported a so-called "expenditure control" bill in the recent session of the state legislature. This bill would have provided for state supervision of local accounting, established a definite procedure for the preparation and adoption of budgets and the holding of public hearings thereon, compelled adherence to the budget except in cases of emergencies, put all municipalities on a cash basis, and given the State Tax Commission power to veto any proposals for increasing the bonded debt in those communities in which the total debt, including overlapping debt, now exceeds 7 per cent of the full value of taxable property. The bill passed the house but failed by five votes in the senate. However, there is reason to believe that it may be enacted at the special session which will be held later this year.

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Toronto Bureau of Municipal Research.—The Bureau's twenty-first annual report has just been issued. During the past twelve months the Bureau has issued eleven White Papers and Open Letters. These have dealt chiefly with the city's financial condition, critical because of the relief situation. The Bureau is suggesting that the financing of unemployment relief be accepted as a responsibility of the dominion and provincial governments, that only the care of chronic dependents be the responsibility of municipalities, and that all local welfare work be coördinated in one professionally administered department of public health and welfare.

A complete revision of the city's salary schedule adopted almost ten years ago, formation of a housing authority (to begin plans for carrying out the slum clearance program suggested by the Bureau's report on this subject in 1918), the creation of an advisory committee on city planning, and a reorganization and consolidation of city departments are some of the other recommendations of the Bureau reiterated in its annual report.

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Citizens Research Institute of Canada.—The Institute has just completed its fifteenth year of activity in the interests of citizens and taxpayers of Canada. During the past twelve months the Institute furnished consulting and advisory services in a number of instances. A financial and administrative survey was made of Merritton, Ontario, with the consent and coöperation of the officials and at the instance and expense of private firms and individuals. Coöperation was extended to the county and city of Saint John, New Brunswick, in equalizing for county purposes the valuations as between the various parishes and as between the parishes and the city and in setting up a system which would provide for more scientific valuation and would tend to keep valuations equalized. The Institute also prepared extensive reports

for a board of trade and a chamber of commerce at their expense. During the year the director served on a commission appointed by the Corporation of the city of Montreal to report on new sources of revenue and other means of balancing the budget. The director is at present serving on the Ontario Royal Commission appointed to report on methods to be adopted in amalgamating the "border cities," which amalgamation had previously been decided upon.

The taxation branch of the Institute issued a number of reports during the year on the cost of government in the dominion. The director of the Institute, Horace L. Brittain, is also the director of the Toronto Bureau of Municipal Research.

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Providence Governmental Research Bureau.—Since the first of the year the Bureau has made two studies for other civic groups. For a local taxpayers' association the Bureau reported on the revenue possibilities of sales, income, liquor, and tobacco taxes; analyzed the probable yield of an increase in the gasoline tax; and presented data on current tax burdens and public indebtedness. For the Retail Trade Board the Bureau made an analysis of the taxes paid by retailers in the central business district of the city. This study involved an examination of every piece of property in this section to determine approximately the proportion of each taxpaying property that was devoted to retail trade purposes.

In March the Bureau planned a conference of the executive officers of research bureaus, taxpayers' associations, and other civic groups in New England. It was the first meeting of its kind in this part of the country and about thirty persons were in attendance. Speakers at the all-day session included: Professor Harry E. Miller of the Department of Economics of Brown University, Henry Minot of the Massachusetts Federation of Taxpayers Associations, John Pearson, director of the New Hampshire Foundation, Norman MacDonald, director of the Springfield Taxpayers Association, Henry D. Sharpe, president of the Providence Governmental Research Bureau, and Professor Mathew C. Mitchell of the Department of Political Science of Brown University. Plans are being made for another meeting of the same group in June. The Providence Bureau is also preparing to help with the local arrangements for the annual meeting of the National Municipal League to be held in Providence, November 25 and 26.

A series of articles prepared by the Bureau are now appearing in the Providence *Journal*. These articles deal with governmental problems, general and financial, and relate particularly to conditions and situations of interest to Providence taxpayers. These articles are meaty and full of factual data explained in simple terms and fully interpreted.

The Bureau's report on the Providence Fire Department completed last year was awarded second place in the competition for the Governmental Research Association's 1934 certificate for the "most noteworthy piece of research" completed by any member during the year. Leslie Gravlin of the Bureau's staff was largely responsible for the preparation of this report.

In March the Bureau published the first issue of a bulletin which is henceforth to appear at least once a month.

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City Club of Portland (Oregon).—The annual report of the executive secretary, C. Herald Campbell, has just been published. After setting forth the improved financial condition of the Club, largely the result of an increase in membership, the report summarizes the activities of the Club's committees. Twenty-five reports were published last year and fourteen committees are now at work on reports. The Committee on Reorganization and Refinancing of the Public School System in Oregon has been working on its project for nearly two years. A final report is expected this spring. Another committee (the same one which published in 1933 a report on the City Manager Plan for Portland) is studying the problem of civil service.

Other committees are studying the proposed Columbia River Highway development, terminal facilities and mass transportation, the city plan, adult education forums, a civic opera, the proposed street transportation franchises, development of the Columbia River, traffic control, marriage license laws, and the federal income tax as applied to Oregon residents.

RECENT BOOKS REVIEWED

The Reorganization of County Government in Ohio.—Report of the Governor's Commission on County Government. Submitted to the Governor of Ohio, December, 1934. Columbus. 190 pp.

Here is an admirable descriptive study of the organization and administration of county government in Ohio, resulting in the recommendation that one of three forms of government be adopted by Ohio counties: (1) the county manager plan, (2) the limited executive plan, and (3) the elective executive plan.

The report not only presents a clear picture of the present status of the administration of county government of great value to the student of the subject in other sections of the country as well as to interested Ohioans—it does more: it presents a wealth of information in concise, well organized, readable form. The summary of the principal findings and recommendations of the commission is a model of intelligent condensation. Leaders in the movement for improvement of county government in Ohio should find ample factual ammunition in this document. Charles P. Taft, 2nd, vigorous Cincinnati reformer and author of "City Management—The Cincinnati Experiment," was chairman of the governor's commission responsible for the report and Raymond C. Atkinson of the Ohio Institute was director of research.

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The Municipal Year Book, 1935. Edited by Clarence E. Ridley and Orin F. Nolting. Chicago, International City Managers' Association. 1935. 392 pp. $4.

The second issue of the municipal administrators' almanac has arrived and once more within two covers (the covers are farther apart this time for the book is considerably larger) may be found an epitome of information highly useful to those engaged or interested in city government.

As in the former year book, authorities have been asked to sum up within a page or two the highlights of what has happened in their respective fields during the year just past. Taken as a whole their statements are encouraging. Louis Brownlow points to a growing *rapprochement* of city, state, and federal government but asserts his belief that municipal government will become more rather than less important in the general scheme. Clifford N. Amsden reports a newly awakened public interest in the merit system; C. E. Rightor says that the municipal bond market improved steadily through 1934 and the financial position of municipalities was strengthened by state laws, amendments, and court interpretations. There was a definite trend toward a cash basis in municipal budgeting according to A. E. Buck. Philip H. Cornick reports that a larger percentage of current tax levies were collected in 1934 than in 1933. Special assessments as a source of municipal revenues have continued the decline started in 1928.

A national movement has started for the development of standards for municipal accounting according to Carl H. Chatters. It was a hard year for governmental purchasing agents declares Russell Forbes, feelingly. Between pinched budgets and "New Deal" efforts to raise prices, the purchasing agent steered a rough course, in spite of which progress was made in the spread of centralized purchasing to new fields. Flavel Shurtleff beams with the news that there never was such a year as 1934 for planning studies and planning reports.

Public welfare, housing, public health, police and fire administration, public works, municipal utilities, schools, public libraries, ju-

dicial administration, developments in county government and in council-manager government—the reader interested in any of these will find fresh and helpful data in the year book.

For the first time the number of local government units has been counted accurately. William Anderson who made the count has written an article which condenses the material in his study on the subject which appeared during the year. Other new sections in the year book include data on 96 metropolitan districts in the United States, legal classification of cities by states with discussion of the forms of city government which they may adopt, a section on municipal personnel which gives the number of employees in each city, salary and wage expenditures, salary cuts and restorations since 1930, and detailed data on retirement systems in 257 cities over 30,000 population. There is an account of the activities and services of state leagues of municipalities and also a section informing municipal officials of federal agencies and national organizations ready to help them on specific problems.

Information on receipts, expenditures, and indebtedness of nearly 250 cities is given in tabular form. The book includes the usual directory of 17 city officials in all cities over 10,000, also a directory of council-manager cities.

The year book allows the local administrator to proceed with the confidence born of acquaintance with facts and a knowledge of trends. It is a handbook plus.

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Welfare, Relief and Recovery Legislation, Federal and State 1933-34. By Marietta Stevenson and Susan Posanski of the American Public Welfare Association. Chicago, Public Administration Service. 33 pp. 25 cents.

The largest proportion of the 525 laws relating to welfare, relief, and recovery passed by the states during 1933-34 pertained to relief financing. State laws on public works ranked second.

With the federal government coming to the relief of the states in sharing the burden of unemployment relief, both the standards of administration and adequacy of relief were improved. Out of the unrelated mass of individual attempts to solve what states believed at first to be only a temporary problem, long-term planning for public welfare is developing. This digest of laws points out the significant trends in a period of tremendous growth in social legislation.

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Government Career Service. By Leonard D. White. Chicago, The University of Chicago Press, 1935. 99 pp. $1.50.

As civil service has grown in this country, too much emphasis has been placed on the recruitment aspect, or rather, a disproportionate share of emphasis. It is extremely important to have a system that will ensure the admission of a high grade of personnel to governmental service, but this is far from adequate. Unless there are provided within the system training to permit assumption of increased responsibility, means for promotion as ability develops, and a well functioning plan for retirement, civil service tends to become static, wasteful of the ability available within it and more attractive to those who enjoy settling in a comfortable rut than those with ambition and initiative.

Leonard D. White, a member of the United States Civil Service Commission, presents a plan for establishing a career service with special reference to an administrative corps which he defines as the highest permanent civil officials and the corresponding lower positions which lead by promotion to these high posts, in all, approximately 2,500 appointments in a service of nearly 700,000 positions. Such a service, he estimates, could be completely installed, using the positions now under the merit system, in a period of twenty years, with practically no added expense and with no change in the existing rights and privileges of any member of the classified civil service.

Other countries are far ahead of us in the matter of careers in public service. It is to be hoped that there will be little loss of time in utilizing the blueprints for action provided in Dr. White's stimulating book.

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Mr. Justice Cardozo. By Joseph P. Pollard. New York, The Yorktown Press, 1935. 327 pp. $3.00.

That "constitutions are flexible instruments, well able, when interpreted by judges of vision, to care for the needs of an unforeseen and ex-

panding day" is one of the beliefs of Mr. Justice Cardozo, one of the most liberal judges ever to have sat on the Supreme Court of the United States. When the city of Utica contracted to buy land for an airport and proposed to offer a municipal bond issue to pay for it, it was argued in a taxpayer's suit that the constitution provided that no city should be allowed to incur any indebtedness except for city purposes and that the creation of an airport was not a "city purpose." Judge Cardozo (then Chief Justice of the New York Court of Appeals) writing for a unanimous court, threw out this contention. The city planned to spend money for a perfectly valid and praiseworthy "city purpose," he said. In the race of competition the city without the foresight to build the ports for an established method of transportation whose importance was growing rapidly, might be left behind.

Too frequently are judges' decisions strait-jacketed by precedent. Judge Cardozo's decisions and opinions in the twenty-one years he has been on the bench, progressing to the highest in the land, never waver from the viewpoint that the judge's function is to mould the law to fit its ends and "its ends are to serve mankind, not mankind the law."

Through the author's method of presentation the reader is enabled to study for himself Cardozo's broad and sympathetic interpretations. Cases that came before Judge Cardozo are described and following each, Cardozo's decisions and opinions. The cases are divided into general classes—personal injury, family strife, crime, constitutional problems, workmen's compensation, labor troubles, business and government, libel, international affairs. A knowledge of law is not necessary to an appreciation of the story Mr. Pollard has to tell. For the layman there is the element of surprise in observing how "human" law can be—how in the hands of a strong and wise judge it can be used to answer the needs of the people.

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Mechanical Aids in Tax Accounting, City of Newark, N. J. By Howard G. Fishack and Loren B. Miller, 1935. 24 pp. Apply to Citizens' Advisory Finance Committee, Newark, N. J.

Three complete sets of hand-written books entailing a large amount of comparing and checking had to be prepared by the assessor. The routine of preparing tax bills, collecting and receipting them involved much duplication and lacked safeguards recognized as necessary in modern municipal accounting. A measure adopted by the state legislature in 1934 required that taxes henceforth be billed twice yearly with quarterly payments instead of once a year, due in two parts.

It was at this time that a study was made of the finance offices of Newark and as a result, modern addressing, tax billing and collection procedure was introduced and mechanical equipment installed that performs the work with accuracy and speed and automatically provides controls. They provide a follow-up system on both current and delinquent taxes and are given a large share of credit for the fact that current tax collections in Newark last year improved 5 per cent and delinquent collections 10 per cent. This bulletin describes the machines and their operation in detail. Photographs of both machines and records produced add to the clarity of presentation.

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Sedgwick's Principles of Sanitary Science and Public Health. Rewritten and enlarged by Samuel C. Prescott and Murray P. Horwood. New York, The Macmillan Company, 1935. 654 pp. $4.25.

Two students and colleagues of Professor Sedgwick bring up to date a volume which for a quarter of a century has been an authoritative source of information in the field of sanitary science. Several chapters have been rewritten and there are fourteen new chapters dealing with subjects that have achieved importance in the recent development of public health education and practice.

Included in the new material are discussions of the sanitation of swimming pools and summer camps, milk supplies, rats, flies and mosquitoes, air and carbon monoxide poisoning, the relation of housing to health, child health, and the public health aspects of tuberculosis. A description of the organization for public health administration in the United States completes this well-rounded presentation which, while it will probably find its greatest usefulness as a text-book, will be kept within easy reach for reference by public health officials and social workers.

The Budget in Governments of Today. By A. E. Buck. New York. The Macmillan Company, 1934. 347 pp. $3.00.

Prolonged depression has won for the problems of budget-making an attention which they have never had before. The enormous difficulties, economic and political, of meeting fixed and inflexible expenditures in a period of shrinking public income would alone have been formidable, but on top of these have come the problems of financing relief and recovery measures that have given cities, states, and nations almost insuperable tasks.

The financial and political troubles of budget-makers have weakened some aspects of budget-making and strengthened others. The temptation to conceal or mislead in budget statements has in many cases proved irresistible but, on the other hand, the executive scrutiny of department operations has almost everywhere been sharpened. And, in addition, particularly in municipalities, there has come from lending sources pressure for sounder methods of procedure which promises much permanent good.

Those who are seeing such improvement should welcome this volume by the leading American student of budget-making. Dr. Buck is no armchair observer. To his long and intimate association with the actual development of sound budget systems in cities and states all over the country has now been added the unusual opportunity which comes from being called in as technical advisor by the United States Director of the Budget. He possesses the rare gift of simple, lucid statement.

Dr. Buck reduces his creed to "three essential features: equilibrium, comprehensiveness and annuality". The author finds "three essential elements" of budgetary process: (1) the formulation of a financial plan, (2) the authorization of this plan, i.e. the procedure for formulating, authorizing, executing, and controlling the plan, and (3) the accountability of some governmental authority for each successive stage in this procedure, and the expenditure of the moneys provided. Before proceeding to discuss each of these elements he examines the respective roles of the executive and legislature. Apart from an introductory historical sketch the treatment is wholly functional and includes abundant discussion of budget practise in all parts of the world, particularly in Europe and the British dominions. It is a great boon to have this comparative material distributed functionally so that it may illumine the discussion of the life history of the budget.

This volume is concerned, not with the financing but the procedure of the budget. It emphasizes what might be called normal procedure of budget-making rather than the abnormalities which harassed budget-makers have introduced. It is in short a contribution—a particularly authoritative one—to political science rather than to political economy. An exception is to be found in the discussion of "equilibrium" or balance of the budget where Dr. Buck adventures briefly, possibly inadequately, into the economics of the budget. I wonder if a distinction is not to be made between sound procedure and sound public policy. Is is not possible to conceive of a budget statement that would be "balanced" in that it showed exactly and completely how much the community proposed to spend for its fiscal year and how it proposed to raise this money, yet be "unbalanced" in that it proposed an unwise reliance on borrowing for current expenses? I admit—nay, insist—that such a policy leads a city to bankruptcy or a nation to inflation. Nor do I overlook the fact that the makers of an unsound budget will endeavor to conceal its unsoundness in a statement which will be unbalanced in the technical sense in that it is apparently but not actually complete. Adequately to discuss the financial policy of public expenditures one must range over borrowing for capital and current purposes, taxation, debt adjustment, salaries, and the rapidly expanding list of services for which public money is spent. None of this would be within the proper scope of Dr. Buck's volume. On the other hand I would like to have him discuss the treatment of property tax delinquency, normal and "emergency" borrowing, and current deceptive practises in the "balanced" budget statement and the fad of excluding abnormal expenditures from budgets, so called.

The author concludes his work with an incisive and provocative discussion of the future of the budget in the United States.

JOSEPH D. MCGOLDRICK
Former Comptroller of New York City